

Technical and Bibliographic Notes / Notes techniques et bibliographiques

The Institute has attempted to obtain the best original copy available for filming. Features of this copy which may be bibliographically unique, which may alter any of the images in the reproduction, or which may significantly change the usual method of filming, are checked below.

- Coloured covers/
Couverture de couleur
- Covers damaged/
Couverture endommagée
- Covers restored and/or laminated/
Couverture restaurée et/ou pelliculée
- Cover title missing/
Le titre de couverture manque
- Coloured maps/
Cartes géographiques en couleur
- Coloured ink (i.e. other than blue or black)/
Encre de couleur (i.e. autre que bleue ou noire)
- Coloured plates and/or illustrations/
Planches et/ou illustrations en couleur
- Bound with other material/
Relié avec d'autres documents
- Tight binding may cause shadows or distortion
along interior margin/
La reliure serrée peut causer de l'ombre ou de la
distortion le long de la marge intérieure
- Blank leaves added during restoration may appear
within the text. Whenever possible, these have
been omitted from filming/
Il se peut que certaines pages blanches ajoutées
lors d'une restauration apparaissent dans le texte,
mais, lorsque cela était possible, ces pages n'ont
pas été filmées.
- Additional comments:/
Commentaires supplémentaires:

This item is filmed at the reduction ratio checked below/
Ce document est filmé au taux de réduction indiqué ci-dessous.

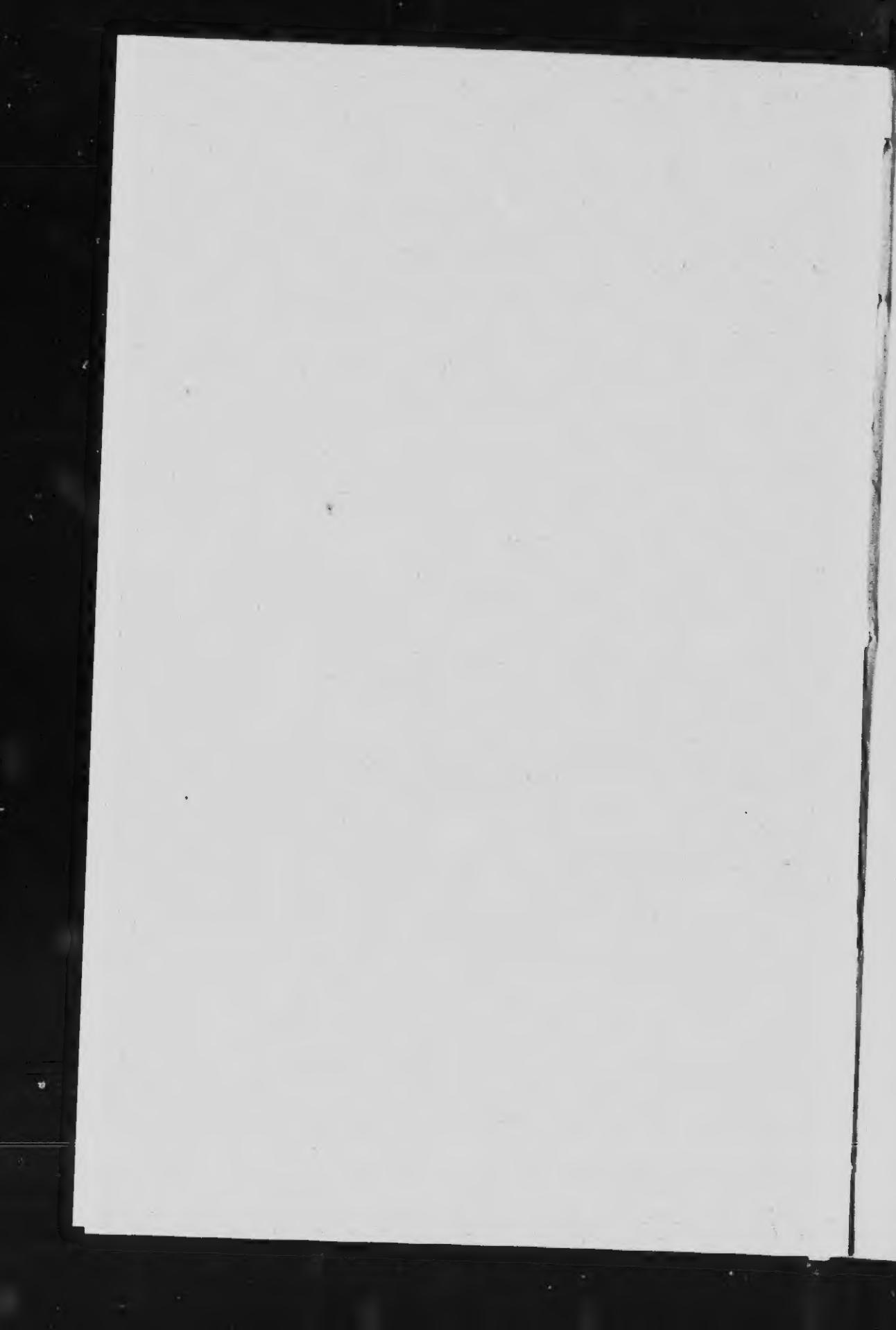
10X	14X	18X	22X	26X	30X
12X	16X	20X	24X	28X	32X

L'Institut a microfilmé le meilleur exemplaire qu'il lui a été possible de se procurer. Les détails de cet exemplaire qui sont peut-être uniques du point de vue bibliographique, qui peuvent modifier une image reproduite, ou qui peuvent exiger une modification dans la méthode normale de filmage sont indiqués ci-dessous.

- Coloured pages/
Pages de couleur
- Pages damaged/
Pages endommagées
- Pages restored and/or laminated/
Pages restaurées et/ou pelliculées
- Pages discoloured, stained or foxed/
Pages décolorées, tachetées ou piquées
- Pages detached/
Pages détachées
- Showthrough/
Transparence
- Quality of print varies/
Qualité inégale de l'impression
- Continuous pagination/
Pagination continue
- Includes index(es)/
Comprend un (des) index
- Title on header taken from:/
Le titre de l'en-tête provient:**
 - Title page of issue/
Page de titre de la livraison
 - Caption of issue/
Titre de départ de la livraison
 - Masthead/
Générique (périodiques) de la livraison

The Tariff Record
OF THE
Liberal Party
FROM
1893 to 1919.

ISSUED BY THE
National Liberal Convention Committee
JUNE, 1919.



The Tariff Record
OF THE
Liberal Party
FROM
1893 to 1919.

ISSUED BY THE
National Liberal Convention Committee
JUNE, 1919.

1763
1768

55186

FOREWORD.

The record of the Liberal Party with regard to the Tariff has been so persistently misrepresented since the adoption of the Party platform in 1893 that it has been decided to compile the 'acts that go to make up that record and present them in chronological order to the public. This is what has been done in the following pages.

A perusal of the facts contained in this pamphlet will convince the unprejudiced reader that the Liberal Party's course from 1893 to 1919 has been entirely consistent with the Tariff policy laid down in the former year.

Those who may desire to amplify the details grouped in this publication are referred to Hansard from 1893 to 1919, the votes and proceedings of the House of Commons for the same period, the Dominion Statutes from 1896 to 1911 inclusive, and the Campaign Hand Books issued by the Liberal Party for the General Elections of 1896, 1900, 1904, 1908, 1911 and 1917.

OTTAWA, June, 1919.

1893.

WOULD REDUCE TAXATION.

In the House of Commons on January 30th, 1893, Honourable Wilfrid Laurier moved, in amendment to the Motion for the presentation of an Address in reply to the speech from the Throne, a Resolution in these terms:—

“THAT the following words be added to the Address: “We feel bound to represent to Your Excellency that in the present condition of the people of Canada substantial reduction should be made in taxation, which presses so heavily upon the great mass of the community, and we regret that in the speech graciously delivered from the Throne, Your Excellency was not advised to hold out promises of reductions, in the oppressive duties now imposed.”

This motion was defeated by the Parliamentary supporters of the Conservative administration in power at the time.

NATIONAL CONVENTION.

At the National Liberal Convention which was held at Ottawa on June 20th and 21st, 1893, two resolutions dealing with the Tariff were unanimously adopted. They were as follows:—

THE FIRST RESOLUTION—TARIFF REFORM.

“We, the Liberal Party of Canada, in Convention assembled declare:—

“That the customs tariff of the Dominion should be based, NOT as it is now, upon the protective principle, but upon the requirements of the public service;

“That the existing tariff, founded upon an unsound principle, and used, as it has been by the Government, as a corrupting agency, wherewith to keep themselves in office, has developed monopolies, trusts and combinations;

“It has decreased the value of farm and other landed property;

“It has oppressed the masses to the enrichment of a few;

“It has checked immigration;

“It has caused great loss of population;

“It has impeded commerce;

“It has discriminated against Great Britain;

“In these and in many other ways it has occasioned great public and private injury, all of which evils must continue to grow in intensity as long as the present tariff system remains in force.

“That the highest interests of Canada demand a removal of this obstacle to our country's progress, by the adoption of a

1893—(Continued)

"sound fiscal policy, which, while not doing injustice to any class, will promote domestic and foreign trade, and hasten the return of prosperity to our people;

"That to that end, the tariff should be reduced to the needs of honest, economical and efficient government.

"That it should be so adjusted as to make free, or to bear as lightly as possible upon, the necessities of life, and should be so arranged as to promote freer trade with the whole world, more particularly with Great Britain and the United States.

"We believe that the results of the protective system have grievously disappointed thousands of persons who honestly supported it, and that the country, in the light of experience, is now prepared to declare for a sound fiscal policy.

"The issue between the two political parties on this question is now clearly defined.

"The Government themselves admit the failure of their fiscal policy and now profess their willingness to make some changes, but they say that such changes must be based only on the principle of protection.

"We denounce the principle of protection as radically unsound, and unjust to the masses of the people, and we declare our conviction that any tariff changes, based on that principle, must fail to afford any substantial relief from the burdens under which the country labors.

"This issue we unhesitatingly accept and upon it we await with the fullest confidence, the verdict of the electors of Canada."

THE SECOND RESOLUTION—RECIPROCITY.

"That, having regard to the prosperity of Canada and the United States as adjoining countries, with many mutual interests, it is desirable that there should be the most friendly relations and broad and liberal trade intercourse between them;

"That the interests alike of the Dominion and of the Empire would be materially advanced by the establishing of such relations;

"That the period of the old Reciprocity Treaty was one of marked prosperity to the British North American colonies;

"That the pretext under which the Government appealed to the country in 1891 respecting negotiation for a treaty with the United States was misleading and dishonest and intended to deceive the electorate;

"That no sincere effort has been made by them to obtain a treaty, but that, on the contrary, it is manifest that the present Government, controlled as they are by monopolies and combines, are not desirous of securing such a treaty;

1893—(Continued)

"That the first step towards obtaining the end in view, is to place a party in power who are sincerely desirous of promoting a treaty on terms honorable to both countries;

"That a fair and liberal reciprocity treaty would develop the great natural resources of Canada, would enormously increase the trade and commerce between the two countries, would tend to encourage friendly relations between the two peoples, would remove many causes which have in the past provoked irritation and trouble to the Governments of both countries, and would promote those kindly relations between the Empire and the Republic which afford the best guarantee for peace and prosperity;

"That the Liberal party is prepared to enter into negotiations with a view to obtaining such a treaty, including a well-considered list of manufactured articles, and we are satisfied that any treaty so arranged will receive the assent of Her Majesty's Government, without whose approval no treaty can be made."

ADVOCATES OF TARIFF REFORM.

It may be of interest to recall the names of the Movers and the Seconders of the foregoing resolutions. Hon. Wilfrid Laurier moved, and Mr. William Paterson, M.P., of Brant, seconded the Tariff Reform resolution, while Mr. L. H. Davies, M.P., of Prince Edward Island (now Chief Justice of the Supreme Court of Canada), moved, and Mr. John Charlton, M.P., of North Norfolk, Ontario, seconded the Reciprocity resolution.

Manufacturers who spoke in favor of the Reciprocity resolution were Mr. W. J. Copp, of Hamilton, Ontario; Mr. F. Boas, of St. Hyacinthe, Quebec, the largest woollen manufacturer in Canada; Mr. F. T. Frost, of Smith's Falls, Ontario, and Mr. F. T. Savoie, of Somerset, Quebec.

1894.

PARLIAMENT PUT TO THE TEST.

In the House of Commons on March 28th, 1894, Sir Richard Cartwright moved, in amendment to the Motion to go into Committee of Ways and Means on the Budget, the following Resolution:—

“THAT while recognizing in the reductions proposed “an admission to that extent of the evils inflicted upon the “people by the system of high protective duties, this House “is nevertheless of the opinion that the amendments suggested, being based upon the principle of protection and “not solely upon the requirements of public service, are “inadequate to afford satisfactory relief from the burdens of “excessive and unfair taxation;

“THAT the highest interests of Canada demand the “adoption of a sound fiscal policy which, while not doing “injustice to any class, will promote domestic and foreign “trade and hasten the return of prosperity to our people;

“THAT, to that end, the tariff should be reduced to “the needs of honest, economical and efficient government, “should have eliminated from it the principle of protection “to particular industries at the expense of the community “at large and should be imposed for revenue only;

“THAT it should be so adjusted as to make free, or “bear as lightly as possible upon, the necessities of life and “to promote freer trade with the whole world, particularly “with Great Britain and the United States.”

The Parliamentary supporters of the Conservative administration of the day voted against this resolution and defeated it.

1895.

TARIFF FOR REVENUE ONLY.

From his seat in Parliament on May 7th, 1895, Sir Richard Cartwright moved, in amendment to the Motion for the House to go into Committee of Ways and Means, the following Resolution:

“ THAT all the words after ‘ THAT ’ be left out, and the following inserted instead thereof:—‘ the Estimates for the fiscal year 1894-95 amount to the sum of \$38,517,152 independently of any further Supplementary Estimates which may be brought down.

“ ‘ That the said sum of \$38,517,152 is in excess of the amount expended in 1893-94 by the sum of \$922,127.

“ ‘ That the deficit for the year 1893-94 amounted to \$1,210,322.

“ ‘ That the deficit for the present year is estimated by the Minister of Finance at \$4,500,000.

“ ‘ That from statements made by Ministers of the Crown, in this House, it appears that our existing obligations for railway subsidies and for public works now in progress will involve a further outlay of \$20,000,000, computed as follows:

“ ‘ For railway subsidies now voted	\$ 8,729,000
“ ‘ For the St. Lawrence Canals	6,000,000
“ ‘ For the Trent Valley Canal	5,000,000
“ ‘ For the Intercolonial Railway and minor works	1,000,000
	<hr/>
	\$20,729,000

“ ‘ The interest on which sum, together with the subsidy provided by Statute to be paid on account of a fast Atlantic service, will entail an addition to our already very heavy annual fixed charges of \$1,400,000.

“ ‘ That inasmuch as enormous sums of money are now exacted from the people of Canada which are not paid into the Treasury, and inasmuch as the burthens of the people are thereby greatly and unnecessarily increased, and it is of the utmost importance to the well-being of the community that not only should the present extravagant expenditure be diminished, but that the said burthens should be reduced as largely and speedily as possible,—it is expedient that in making provision to restore the equilibrium between revenue and expenditure,” as recommended in the Speech from the Throne, the existing tariff be so modified that it may be made a tariff for revenue only.”

This resolution shared the same fate as those of the two preceding years and was defeated by the regular Conservative majority.

1896.

LIBERALS IN POWER.

On June 23rd, 1896, the Liberal Party was returned to power, and Hon. Wilfrid Laurier became the Prime Minister in a new Liberal administration.

APPOINT TARIFF COMMITTEE.

One of the first steps taken by the Liberal Government after its accession to office, was the appointment of a Committee of its members comprising Sir Richard Cartwright, Honourable W. S. Fielding and Honourable William Paterson, to ascertain the exact economic situation of the country and the actual needs of the Canadian people. This the Committee did by holding meetings in the principal cities and towns of the Dominion, at which the views of representative men in all spheres of life were presented. Having completed their labors, the Committee made a report to the Government and this report was, in the following year, 1897, made the basis of the first of the measures of Tariff Reform, that were initiated by the Laurier administration.

1897.

TARIFF REFORM IN FORCE.

Early in the Session of 1897, the new Liberal Government passed its first measure of Tariff Reform, whereby 47 articles were added to the free list, and duties were reduced on 147 others, including farm implements. The details of the changes thus made in the Tariff are contained in the following statements:

STATEMENT showing articles placed on the free list of the tariff which were dutiable under the tariff in force when the Liberal Government came into power, with the rates of duty then imposed.

Articles transferred to free list	Former Rates of Duty
Degras, oleostearine. (This was formerly free for the manufacture of leather only).....	20 p.c. ad valorem
Florist stock, as follows:— Corms, tubers, rhizomes, arucaria spiraea	20 p.c. ad valorem 7½ cts. per bushel
Indian corn.....	15 cts. per bushel
Seed beans from Britain.....	10 p.c. ad valorem
Rape seed—sowing.....	20 p.c. ad valorem
Mushroom spawn.....	20 p.c. ad valorem
Artificial lime.....	20 p.c. ad valorem
Asphaltum or asphalt, refined.....	20 p.c. ad valorem
Binders twine.....	12½ p.c. ad valorem
Articles for manufacture of binder twine.....	Varying according to material 35 p.c. ad valorem
Religious tracts.....	6c. per lb.
Books for the use of libraries of schools, or for the library of any incorporated, medical, literary, scientific or art association or society.....	6c. per lb.
Books on the application of science to industries of all kinds, including books on agriculture, horticulture, forestry, fish and fishing, mining, metallurgy, architecture, electric and other engineering, carpentry, shipbuilding, mechanism, dyeing, bleaching, tanning, weaving and other mechanic arts, and similar industrial books.....	6c. per lb.
Canvas or fabric, not frictionized, for the manufacture of bicycle tires, imported by manufacturers of bicycles for use exclusively in the manufacture of bicycle tires in their own factories.....	20 p.c. and 22½ p.c. according to material 20 p.c. ad valorem
Clay crucibles.....	20 p.c. ad valorem
Cyanogen or compound of Bromine and Potassium for reducing metals in mining operations.....	20 p.c. ad valorem
Quebracho.....	20 p.c. ad valorem
Extracts of nut galls.....	6c. per lb. and 20 p.c.
Fashion plates—Tailors' milliners' and mantlemakers'.....	1½ c. per lb. and 10 p.c.
Head ropes (fishermen's).....	20 p.c. ad valorem
Jute and hemp yarn for hammocks.....	25 p.c. ad valorem
Life boats and life saving apparatus (when specially imported by societies established to encourage the saving of human life).....	30 p.c. ad valorem
Brass, in strips, not polished, planished or coated.....	30 p.c. ad valorem
Copper, in strips, not polished, planished or coated.....	30 p.c. ad valorem
Brass trimmings for bedsteads, when imported for the manufacture of same.....	37½ p.c. ad valorem
Cream separators.....	5 p.c. ad valorem
Cable chains.....	20 p.c. ad valorem
Rubber, powdered.....	15 p.c. ad valorem
Surgical and dental instruments and surgical needles.....	6c. per lb.
Books—donations of, for charitable purposes.....	6c. per lb.
Specimens, models and wall diagrams, for illustrations of natural history, for universities and public museums.....	Dutiable according to material 15 p.c.
Astrachan or Russian hair skins and China goat plate or rugs, wholly or partially dressed but not dyed.....	15 p.c. ad valorem
Wrought iron tubing, butt or lap-welded, threaded or coupled or not, not less than 2½ inches diameter, when imported for use exclusively in mining, smelting, reducing or refining.....	15 p.c. ad valorem

1897—(Continued)

STATEMENT showing articles placed on the free list of the tariff which were dutiable under the tariff in force when the Liberal Government came into power, with the rates of duty then imposed.

Articles transferred to free list	Former Rates of Duty
Platinum in bars, strips or plates.....	20 p.c. ad valorem
Sewing machine attachments.....	30 p.c. ad valorem
Steel, No 12 gauge and thinner, but not thinner than No. 30, for the manufacture of bed fasts and furniture castors, when imported by the manufacturers of such articles for use exclusively in the manufacture thereof in their own factories.....	12 to 16 gauge, \$10 per ton. 17 gauge and thinner, 5 p.c. ad valorem
Steel, for the manufacture of bicycle chain, when imported by the manufacturers of bicycle chain for use in the manufacture thereof in their own factories.....	\$10 per ton.
Steel, for the manufacture of axes, hatchets, scythes, reaping hooks, hoes, hand rakes, hay or straw knives, windmills, and agricultural or harvesting forks, when imported by the manufacturers of such articles for use exclusively in the manufacture thereof in their own factories.....	\$10 per ton.
Steel springs for the manufacture of surgical trusses, when imported by the manufacturer of trusses for use exclusively in the manufacture thereof in their own factories.....	1c. per lb. and 20 p.c. ad valorem
Flat spring steel billets and steel axle bars, when imported by manufacturers of carriage springs and carriage axles for use exclusively in the manufacture of springs and axles for carriages or vehicles other than railway or tramway, in their own factories.....	Flat spring steel and steel bars \$10 per ton; billets, \$5 per ton.
Spiral spring steel for spiral springs for railways when imported by the manufacturers of railway springs for use exclusively in the manufacture of railway spiral springs in their own factories.....	\$10 per ton.
Stereotypes, electrotypes and celluloids of newspaper columns in any language other than French and English.....	1c. per sq. inch.
Barbed fencing wire of iron and steel.....	1c. per lb.
Wire of zinc, screwed or twisted, or flattened and corrugated, for use in connection with nailing machines for the manufacture of boots and shoes.....	25 p.c. ad valorem
Galvanized iron or steel wire, Nos. 9, 12 and 13 gauge.....	20 p.c. and 25 p.c. according to purpose used.
Philosophical instruments and apparatus, such as are not manufactured in Canada, when imported for use in public hospitals.....	25 p.c. ad valorem
Photographs, not exceeding three sent by friends and not for purpose of sale.....	20 p.c. ad valorem

1897—(Continued)

STATEMENT giving a list of Dutiable Goods upon which the Duty under the Liberal General Tariff of 1897 was lower than it was under the Old Tariff, and giving also the respective Rates under the two Tariffs. The rate given was subject to 33½ per cent reduction under the British preferential tariff after 1st July, 1900.

	Old Rate	1897 Rate
Belts, surgical and trusses, electric belts, pessaries and suspensory bandages of all kinds.	25 per cent	20 per cent.
Books, printed; periodicals, and pamphlets, n.e.s.	6c. per lb. equivalent to 18 8 10 p.c. ad. val. computed on basis of 1896 imports	10 per cent.
Posters, advertising bills and folders	15c. per lb. and 25 per cent	15c. per lb.
Labels for cigar boxes, fruit, vegetable, meat, fish, confectionery, and other goods; also shipping, price or other tags, tickets or labels, and railroad or other tickets, whether lithographed or printed or partly printed, n.e.s.	15c. per lb. and 20 per cent, equivalent to 46 per cent ad. val. computed on basis of 1896 imports	35 per cent.
Breadstuffs—		
Wheat	15c. per bushel	12c. per bu.
Indian or corn meal	10c. per bbl.	25c. per bbl.
Wheat flour	5c.	60c. "
Cane, reed, or rattan, split or otherwise manufactured, n.o.p.	17½. "	15c. "
Carriages—		
Buggies and carriages, pleasure carts and similar vehicles, n. e. s.	Costing not more than \$50, \$5 each, and 25 per cent	35 "
Sleighs	30 per cent	35 "
Tower Clocks	30 "	25 "
Coal, bituminous	60c. per ton	53c. per ton.
Collars of cotton or linen, xylonite, xylolite or celluloid	24c. per doz. and 25 per cent equivalent to 52 per cent computed on basis of 1896 imports	35 per cent.
Cordage, n. e. s.	1½c. per lb. and 10 per cent, equivalent to 28 per cent computed on basis of 1896 imports	25 per cent.
Corset clasps, busks, blanks and steels, and corset wires, tipped or untipped	5c. per lb. and 20 per cent, equivalent to 37 per cent computed on basis of 1896 imports	35 per cent.
Cotton—		
Embroideries, white	30 per cent	35 "
Duck, white	25 "	25 "
Jeans, coutilles and sateens, imported by corset and dress stay makers for use in their own factories	25 "	30 "
Sheets	32½ "	30 "
Shirts of cotton, costing more than \$3 per doz.	1 per doz. and 25 per cent, equivalent to 37 per cent ad. val. computed on basis of 1896 imports	35 "
Socks and stockings		
Cuffs, of cotton, linen, xylonite, xylolite or celluloid	10c. per doz. pairs and 35 per cent	35 per cent.
Drugs, etc.—		
Glycerine, imported by manufacturers of explosives for use in the manufacture thereof in their own factories	10c. per pair and 25 per cent equivalent to 59 per cent ad. val. based on 1896 imports	35 "
Proprietary medicines, liquid, not containing alcohol	20 per cent	10 "
Sulphuric ether	50 "	25 "
Solutions of peroxides of hydrogen	5c. per lb.	25 "
	50 per cent	25 "

1897—(Continued)

STATEMENT giving a list of Dutiable Goods upon which the Duty under the Liberal General Tariff of 1897 was lower than it was under the Old Tariff, and giving also the respective Rates under the two Tariffs. The rate given was subject to 33½ per cent reduction under the British preferential tariff after 1st July, 1900.

	Old Rate	1897 Rate
Earthen and Chinaware— Demijohns, churns or crocks.....	8c. per gall. holding capacity, equivalent to 38 per cent ad val. based on 1896 imports.....	30 per cent.
Electric light carbons and carbon points.....	\$2.50 per 1,000, length 12 ins., equivalent to 44 per cent based on 1896 imports.....	35 *
Electric light carbons over 6 inches in circum- ference.....	25 per cent.....	35 *
Insulators of all kinds.....	30 "	15 *
Gunpowder and other Explosives— Giant powder, nitre, and other explosives.....	4c. per lb.....	3c. per lb.
Nitro-glycerine.....	4c.	3c.
Gun or pistol covers or cases, game bags.....	32½ per cent.....	30 per cent.
Loading tools.....	35	30 *
Gutta percha and India-rubber, manufactures of: Boots and shoes with cloth uppers.....	30	25 *
Belting.....	32½	25 *
Agricultural Implements— Farm, road or field rollers.....	35	25 *
Forks, pronged.....	35	25 *
Hay tedders.....	35	25 *
Hoes.....	35	25 *
Knives, hay or straw.....	35	25 *
Knives, edging.....	35	25 *
Manure spreaders.....	25	25 *
Potato diggers.....	35	25 *
Rakes, n.e.s.....	35	25 *
Scythes and scythes, sickles or reaping hooks.....	35	25 *
Spades and shovels and spade and shovel blanks and iron or steel cut to shape for same	35	25 *
All other agricultural implements, n.e.s.....	50c. per doz. and 25 p.c. equiva- lent to 38 p.c. based on 1896 imports.....	35 *
Cart or wagon skeins or boxes.....	35 per cent.....	25 *
Bar iron or steel, rolled, whether in coils, bundles, rdos or bars, comprising rounds, ovals, squares and flats, and rolled shapes, n.o.p.....	32½	\$7 per ton. 30 per cent.
Butts and hinges, n.e.s.....	\$10 per ton.....	\$8 per ton.
Cast iron pipe of every description.....	32½ per cent.....	\$2.50 *
Cast, scrap iron.....	\$10 per ton, but not less than 35 p.c.	20 per cent.
Chain, malleable sprocket or link belting for binders.....	4 per ton.....	
Tacks, shoe, equivalent to 52 p.c. based on 1896 imports.....	27½ per cent.....	
Steam engines and boilers.....	½ ounce to 4 ounces to 1,000, one cent per thousand.....	35 *
Fittings, iron or steel for iron or steel pipe.....	27½ per cent.....	25 *
Forgings of iron or steel of whatever shape or size or in whatever stage of manu- facture, n.e.s.....	35	30 *
Steel shafting, turned, compressed or polished; and hammered iron or steel bars or shapes, n.o.p.....	35 per cent, but not less than \$15 per ton.....	30 *
Hardware, namely— Builders, cabinetmakers', upholsterers', har- ness-makers, saddlers', and carriage hard- ware, including curry combs.....	\$10 per ton and ½c. per lb. addi- tional, estimated equivalent to 35 p.c.....	30 *
	32½ per cent.....	30 *

1897—(Continued)

STATEMENT giving a list of Dutiable Goods upon which the Duty under the Liberal General Tariff of 1897 was lower than it was under the Old Tariff, and giving also the respective Rates under the two Tariffs. The rate given was subject to $33\frac{1}{3}$ per cent reduction under the British preferential tariff after 1st July, 1900.

	Old Rate	1897 Rate
Iron or steel ingots, caged ingots, blooms, slabs, billets, puddled bars and loops and other forms, n.o.p. less finished than iron or steel bars but more advanced than pig iron, except castings.	\$5 per ton.	\$2 per ton.
Iron in pigs.	\$4	\$2.50 "
Iron in pigs (charcoal).	\$4	\$2.50 "
Iron in kentledge.	\$4	\$2.50 "
Locks of all kinds.	\$2 $\frac{1}{2}$	10 per cent.
Machinery and Machinery—		
Fanning mills.	35	25 "
Grain crushers.	15	25 "
Windmills.	30	25 "
Ore crushers and rock crushers, stamp mills, cornish and baled rolls, rock drills, air compressors, cranes and derricks and percussion coal cutters.	27 $\frac{1}{2}$	25 "
Fodders or feed cutters.	35	25 "
Horse powers.	30	25 "
Portable engines.	30	25 "
Portable saw mills and planing mills.	30	25 "
Threshers and separators.	30	25 "
All other portable machines.	30	25 "
Slot machines.	27 $\frac{1}{2}$	25 "
Typewriting machines.	27 $\frac{1}{2}$	25 "
All other machinery, composed wholly or in part of iron or steel, n.o.p.	27 $\frac{1}{2}$	25 "
Nails and spikes, cut, and railway spikes.	1c. per lb.	1c. per lb.
Nails, wire, all kinds, n.o.p.	1c.	8/5c.
Mould boards or shares or plough plates, land sides and other plates for agricultural implements, cut to shape from roll plates of steel but not moulded, punched, polished or otherwise manufactured, when costing 4c. per lb. and under.	20 per cent.	5 per cent.
Machinery and Machinery—		
Pumps.	30 per cent.	25 per cent.
Railway fish plates and tie plates.	\$10 per ton.	\$8 per ton.
Rolled iron or steel angles, tees' beams, channels, joists' girders, zees, stars or rolled shapes, or trough, bridge, building or structural rolled sections or shapes, not punched, drilled or further manufactured than rolled, n.e.s., and flat eye bar blanks, not punched or drilled.	12 $\frac{1}{2}$ per cent.	10 per cent.
Rolled iron or steel hoop, band, scroll, or strip, eight inches or less in width, No. 18 gauge and thicker, n.e.s.	\$10 per ton.	\$7 per ton.
Machinery and Machinery—		
Rolled iron or steel angles and channels, weighing less than 35 lbs. per lineal yard, not punched, drilled or further manufactured than rolled, n.o.p.	35 per cent, but not less than \$10 per ton.	\$7 per ton.
Rolled iron or steel plates or sheets, sheared or unsheared and skip iron or steel, sheared or rolled in grooves, n.o.p.	\$10 per ton.	\$7 per ton.
Rolled iron or steel plates not less than 30 inches in width and not less than $\frac{1}{4}$ -inch in thickness, n.o.p.	12 $\frac{1}{2}$ per cent.	10 per cent.
Rolls or chilled iron or steel.	35	30

1897—(Continued)

STATEMENT giving a list of Dutiable Goods upon which the Duty under the Liberal General Tariff of 1897 was lower than it was under the Old Tariff, and giving also the respective Rates under the two Tariffs. The rate given was subject to 38½ per cent reduction under the British preferential tariff after 1st July, 1900.

	Old Rate	1897 Rate
Skates of all kinds and parts thereof.	10c. per pair and 30 per cent, equivalent to 57 per cent ad val. based on 1896 imports.	35 per cent.
Skelp iron or steel, sheared or rolled in grooves, imported by manufacturers of wrought iron or steel pipe for use only in the manufacture of wrought iron or steel pipe in their own factories.	\$10 per ton, equivalent to 54 per cent ad val.	5
Stoves of all kinds and parts thereof, n.e.s.	27½ per cent	25
Stove plates and bed or smoothing hatters' and tailors' irons, plated wholly or in part or not	27½	25
Boiler tubes of wrought iron or steel, including flues and corrugated tubes for marine boilers	7½	5
Tubes of rolled steel, seamless, not jointed or welded, not more than 1½ inches in diameter	15	10
Tubes, seamless steel for bicycles.	15	10
Enamelled iron or steel ware, n.o.p.	35	30
Wire fencing woven and wire fencing of iron or steel, n.e.s.	27½	15
Buckthorn strip.	1c. per lb.	15
Wire of all kinds, n.o.p.	25 per cent	20
Wire, stranded or twisted, clothes-line, picture or other twisted wire	27½	25
Iron or steel scrap, wrought, being waste or refuse, including punchings, cuttings and clippings of iron or steel, plates or sheets having been in actual use; crop ends of tin plate bars, blooms and rails, the same not having been in actual use.	\$4 per ton	\$1 per ton.
Table cutlery of all kinds, n.o.p.	32½ per cent	30 per cent
Steel plate, universal mill or rolled edge, bridge plates imported by manufacturers of bridges.	12½	10
Steel in bars, sheets or plates, thicker than 17 gauge, when of greater value than 2½c. per lb.	\$10 per ton	5
Steel in hoops, scrolls or stripes, 18 gauge and thicker, when of greater value than 2½c. per lb	\$10	5
Axes, cleavers, hatchets, hammers, picks, mattocks and eyes or poles for the same.	35	30
Axes.	35	25
Saws.	32½	30
Files and rasps, n.e.s.	35 per cent	30
Tools, hand or machine, of all kinds, n.o.p.	35	30
Leather—		
Tanner's scrap leather.	20	15
Type-making accessories for lithographic presses	27½	10
Composition metal for the manufacture of jewelry	25	10
Stereotypes, electrotypes and celluloids for almanacs, calendars, illustrated pamphlets, newspaper advertisements or engravings, and all other like work for commercial, trade or other purposes, n.e.s., and matrices or copper shells for the same.	2c. per sq. inch	1½c. per sq. in
Stereotypes, electrotypes and celluloids of newspaper columns and bases for the same, composed wholly or partly of metal or celluloid.	1c.	½c.
Stereotypes, matrices or copper shells for the same.	2c.	½c.
Wire of all kinds, except iron or steel, n.o.p.	25 per cent	1½c.
All parts of organs, except reeds.	30	20 per cent.
Pianofortes.	35	25
		30

1897—(Continued)

STATEMENT giving a list of Dutiable Goods upon which the Duty under the Liberal General Tariff of 1897 was lower than it was under the Old Tariff, and giving also the respective Rates under the two Tariffs. The rate given was subject to 33½ per cent reduction under the British preferential tariff after 1st July, 1900.

	Old Rate	1897 Rate
Oils—		
Coal and kerosene distilled purified or refined naphtha and petroleum, n.e.s.	6c. per gall.	2½c. per gall.
Products of petroleum n.e.s.	6c.	“
Crude petroleum, fuel and gas oils (other than naphtha, benzine or gasoline), when imported by manufacturers (other than oil refiners) for use in their own factories for fuel purposes or for the manufacture of gas	3c. per gall.	2½c. per gall.
Olive oil, d for salad purposes.	30 per cent	20 per cent.
Lubricating oil composed wholly or in part of petroleum and costing less than 25c. per gall.	6c. per gall.	5c. per gall.
Paper and manufactures of— Hanging or wall paper.....	Equivalent ad val. rate based on 1896 imports 39 per cent	35 per cent.
Plaster of Paris or gypsum, calcined or manufactured.....	40c. per brl. of 300 lbs.	12½ p.c. 100 lbs.
Enamelled iron or steel signs, and letters for same	35 per cent	30 per cent.
Socks and stockings of silk.....	10c. per doz. pairs and 35 p.c.	15 per cent.
Slate— Roofing slate.....	30 per cent, but not more than 70c. per square for black or blue, or more than 90c. per square for other colours.	25 p.c., not over 75c. sq. 25 per cent.
School writing slates.....	30 per cent.	10 “
Soap— Pearline and other soap powders.	35 “	10 “
Stockinette for the manufacture of rubber boots and shoes, imported by manufacturers of rubber boots and shoes for use in their own factories, unbleached.....	22½ per cent } 30 “	15 “
Ditto, coloured.....	“	“
Stones and manufactures of— Flagstone, granite, rough freestone, sandstone and all building stone not hammered or chiselled.....	20 “	15 “
Granite and freestones, dressed: all other building stone, dressed, except marble.....	30 “	20 “
Flagstone, dressed.....	30 “	20 “
Glucose or grape sugar, glucose syrup and corn syrup, or any syrups containing any admixture thereof.....	1½c per lb.	½c per lb.
Watch cases.....	35 per cent.	30 per cent.
Rakes, hay, of wood.....	35 “	25 “
Willow or osier— Window shades in the piece, or cut and hemmed, or mounted on rollers.....	35 per cent, but not less than 5c. per sq. yd., equivalent to 41 per cent computed on basis of 1896 imports	35 “
Wool and manufactures of— Socks and stockings of wool, worsted, the hair of the alpaca goat, etc	10c. per doz. prs. and 35 p.c.	35 “
Yarns, costing 30c. per lb. and over, imported on the cop, tube, or in the hank, by manufacturers of woollen goods for use in their products.....	30 per cent.	20 “
Worsted tops made from lustre, wools and other like combing wools such as are grown in Canada.	20 “	15 “

1897—(Continued)

STATEMENT giving a list of Dutiable Goods upon which the Duty under the Liberal General Tariff of 1897 was lower than it was under the Old Tariff, and giving also the respective Rates under the two Tariffs. The rate given was subject to 33½ per cent reduction under the British preferential tariff after 1st July, 1900.

	Old Rate	1897 Rate
Blankets.....	5c. per lb. and 25 p.c. equivalent to 39 p.c. ad val. computed on 1896 imports	35 per cent.
Carpets, two-ply and three-ply, treble ingrain, composed wholly of wool.....	5c. per sq. yd. and 25 p.c., equivalent to 36 p.c. computed on 1896 imports.....	35
Carpets, two-ply and three-ply, ingrain, of which the warp is composed wholly of cotton or other material than wool, worsted, etc.....	3c. per sq. yd. and 25 p.c., equivalent to 37 p.c. computed on 1896 imports	35

1897—Continued

TORY OBJECTION TO LOWERING DUTY ON COAL OIL.

Among its many items affording relief to the people the Liberal tariff for revenue reduced the duty on Coal Oil by 16½ per cent. The "Mail and Empire" (Conservative) objected to this lowering of the duty on coal oil and protested against the complete removal of the protective duty on oil. This it described as a "threat to destroy the investments of the people of Lambton" and declared it was "simply a proposal to ruin Canadians" in an attempt to repair a blunder. Equally severe was the general Conservative criticism of the preferential feature of the tariff.

THE BRITISH PREFERENCE.

On April 23rd, 1897, the Liberal Government granted to the goods of Great Britain coming into Canada a preference of 12½ per cent and made provision to grant a further preference of 12½ per cent in the following year. The British Government, the British press and the British people generally hailed the new departure with acclaim. But the Conservative party of Canada—the party of super-loyalty—stoutly opposed it. They contended that the preference should not have been a free gift to Great Britain but that we should have exacted something from Great Britain in return for our gift. Speaking of the new Liberal tariff which contained the preference to Great Britain, Sir Charles Tupper, the Conservative leader, astonished the House of Commons with this assertion:—"I say that a deeper wrong was "never inflicted upon Canada." This and similar assertions are dealt with further on in an extract from the Budget speech of 1899.

CONSERVATIVE BOUNTIES ON IRON AND STEEL.

Upon attaining office the Liberals found the principle of paying bounties in operation. The Conservative Government of 1894 had passed an Act to provide for the payment of bounties on iron and steel manufactured from Canadian ore. This Act, Chapter 9 of 57-58 Victoria, authorized the payment of a bounty of \$2.00 per ton on all pig iron, on all iron puddled bars and on all steel billets manufactured in Canada. In the case of industries then established the Act was to apply for five years and in the case of others established later on it was to apply for five years from the date of commencing operations.

ACT REPEALED—LIBERAL LEGISLATION.

The new Liberal Government repealed the Act just mentioned and enacted a measure known as Chapter 6 of 60-61 Victoria.

1897—*Continued*

This new act authorized the payment of bounties of \$3.00 per ton on Canadian steel ingots, puddled iron bars, and pig iron and a bounty of \$2.00 per ton on pig iron produced from foreign ore.

The bounties in question were made to apply only to steel ingots, puddled iron bars and pig iron made in Canada prior to April 23, 1902. In other words they were payable during a period of only five years from the passing of the Act.

1898.

THE JOINT HIGH COMMISSION.

To give effect to the terms of the Reciprocity resolution adopted at the National Convention of 1893 an informal exchange of views took place between the Liberal Government at Ottawa and the United States Government. Some months afterwards a Joint High Commission was appointed for the purpose of discussing Reciprocity and all other questions pending between the United States and Canada. The British Commissioners appointed by the Imperial Government were Lord Herschell, Sir Wilfrid Laurier, Sir Richard Cartwright, Hon. Louis H. Davies and John Charlton, M.P. The Commission met first at Quebec and afterwards at Washington under the chairmanship of Lord Herschell. Some progress was made. But serious difficulties arose on the question of the Alaska boundary. These, coupled with the sudden death of Lord Herschell and certain adverse political conditions in the United States combined to postpone the consideration of Reciprocity and of all other matters that had been referred to the Commission.

DENUNCIATION OF THE BELGIAN AND GERMAN TREATIES.

In applying the new Preferential Tariff it was found that the terms of certain treaties entered into by the Imperial Government with Belgium and Germany stood in the way of trade negotiations between Canada and Great Britain, unless the same preference was given to Belgian and German goods as it was proposed to accord those coming from Great Britain. But the authors of the Canadian preference never intended that Belgium and Germany should share in it equally with Great Britain. The treaties in question had never been ratified by the Parliament of Canada or by the Legislature of any of the Provinces, and it was contended by the Canadian Government, that they could not be made to apply to a self-governing Dominion like Canada. With this contention Imperial authorities did not agree, but British public opinion became aroused and it proved to be an important factor in having the treaties denounced. They came to an end on August 1st, 1898.

INCREASE IN BRITISH PREFERENCE.

The object of the Liberal Government having thus been attained, their practical good-will towards the people of the British Isles was again demonstrated by increasing the preference to Great Britain's goods from $12\frac{1}{2}$ to 25 per cent in accordance with the provision made for that purpose in the preceding year. Two chief results followed:—An increase in the sales of British goods to Canada as well as an increase in the exports of Canadian farm products to Great Britain.

1898—*Continued*

PUT ON FREE LIST.

Cotton-seed oil, when imported by manufacturers of liquid annatto, and metallic tubes for use in the manufacture of vaccine points made in Canada, were transferred to the free list.

1899.

RESULT OF TARIFF REDUCTIONS.

In his Budget speech on May 2nd, 1899, Honourable W. S. Fielding, the Minister of Finance, reviewed the effect of the Government's tariff reductions of 1897 and said:—

"The extent of the tariff reductions made by our Act of 1897 have been the subject of much discussion in Parliament and in the press. The positions assumed on this question by hon. gentlemen opposite from time to time have been strangely inconsistent. When the new tariff was brought down nobody doubted that the reductions were numerous and important. The fact that there was a sharp reduction on a great many items all along the line was recognized by hon. gentlemen opposite and by their press. It if were necessary I could quote abundant proof of that fact, and if the accuracy of my statement is called in question some of these quotations will be given before the debate closes. It is enough for my present purpose to say that hon. gentlemen opposite and their press have recognized that we made a great many important reductions. Indeed the charge was made against us that our reductions were of such a character that we would paralyze the industries of the country. The opponents of the Government either believed or hoped that under the change of tariff policy the business interests of the country would suffer, and so they were prepared to condemn the Government roundly for the reductions that were made. But their expectations or hopes in this direction were doomed to disappointment. The Liberals claimed that under a policy of tariff reform the business interests of the country would be benefitted, not injured. Time proved the correctness of their views. In almost every branch of industry the settlement of the tariff question was followed by a revival of business. Trade, commerce and even manufactures flourished as never before. Then, finding that all their predictions as to the disaster which was to follow under a Liberal Administration had proved unwarranted, our opponents quickly swung round to the other side of the question, and took the ground that we had made no tariff reductions, and that the old so-called National Policy was still in force. This appears to be the last attitude of the Conservative party, and therefore, I propose to devote a little attention to it. How a tariff in which, by their own admission, the duties in many lines had been cut unsparingly, could still be described as the old National Policy, is one of the things that an independent observer will have much difficulty in understanding. The facts and figures show conclusively that the old National Policy has

1899—Continued

“not been continued, but that under a Liberal Administration a very large and substantial measure of tariff reform has already been accomplished. I shall invite the attention of the House to some of the evidences of this tariff reduction.

IMPORTANCE OF BRITISH PREFERENCE.

“Our method of tariff reform involved the taking of three steps, two of them at the beginning and one at a later stage. In the first place, we prepared what we called a general tariff in which large reductions from the old tariff were made. Then we made our preferential tariff whereby we provided that as compared with the general tariff, there should be a reduction of one-eighth of the duty in favour of British imports. And we made a further provision that, after the lapse of a little more than a year, there should be a further reduction of one-eighth so that at the end of that time, the duties on British goods would be one-fourth less than the duties on other goods. In the making of our general tariff there were a few cases in which the duties were increased. In nearly every one of these, however, it will be found that when you apply the preferential rate, you have these duties lower now than they were under the old tariff. As the effort has been made to lead the public to believe that our reduction of tariff burdens was confined entirely to the preferential rate, I think it is important that the error of this view should be clearly pointed out. The preferential tariff was a most important and valuable feature of our tariff reform. But apart altogether from that, there was a large degree of relief from burdens in the form of reductions made in the general tariff, and of goods which were formerly dutiable and were transferred to the free list.”

TORY OPPOSITION TO BRITISH PREFERENCE.

Later on in the same speech, Honourable Mr. Fielding referred to the effect of the preference given to Great Britain and of the Conservative opposition to it, as follows:—

“I wish to say something now with regard to the operation of the preferential tariff. I have observed that the opponents of the Government have of late adopted a new line of attack with regard to the preferential tariff. The signal success which followed the adoption of that measure, its effect upon public opinion, both at home and abroad, do not appear to have been entirely gratifying to hon. gentlemen opposite. Hitherto, their chief complaint has been that we had granted this preferential tariff to Great Britain without receiving anything in return.

“MR. FOSTER.—‘Hear, Hear.’

1899—Continued

“THE MINISTER OF FINANCE.—The Hon. gentleman evidently wishes to emphasize that as a policy which they have talked about in the past. However, according to their latest view, there is a different argument. They now tell us that this preference, which formerly they complained of our granting freely, and which they said we ought not to have given without receiving something in return, does not amount to anything at all. They have spent considerable time in trying to prove that, after all, there is not any preference. They have said that we humbugged and deceived the British people, that John Bull has been sadly humbugged by this Liberal Government. . . . If the goods of a British merchant come into the custom-house of Canada alongside the goods of a foreign merchant, the preference makes itself manifest immediately, because while the goods of the British merchant are admitted for 75 cents, the goods of the foreign merchant cannot be admitted until they have paid \$1. That is the simple fact, and I am sure it is understood by the British merchant, it is understood by the British manufacturer and, therefore, there is not any shadow of foundation for the statement that we have misled or deceived the British public. My hon. friend beside me (Sir Richard Cartwright) reminds me that it is also thoroughly understood by the American manufacturer.”

THE FREE LIST GROWS.

During this year the following articles were placed on the Free List:—

- (a) The chemical compounds known as “Safety Bate” and “Tannin Preserver,” when imported by tanners for use exclusively in the tanning of leather in their own tanneries.
- (b) Cotton yarn, polished or glazed, when imported by manufacturers of shoe laces for the manufacture of such goods in their own factories.
- (c) Syrup of molasses of cane or beet for use in the manufacture of compressed food for live stock.

BOUNTIES ON STEEL AND IRON REDUCED.

Another change was made regarding the bounties on steel and iron. The Government enacted Chapter 8 of 62-63 Victoria and thereby modified the provisions of Chapter 6 of the Statute of 1897.

Under the new Act the bounties on steel ingots, puddled iron bars and pig iron made in Canada were continued until June 30, 1907, subject to a gradual reduction during each of the last five years of payment, beginning in 1902 and terminating in 1907.

It was further provided that no bounty would be paid on steel ingots made from puddled iron bars manufactured in Canada.

1900.

ANOTHER ITEM ON FREE LIST.

When Parliament met, further proof was given of the progressiveness of the Government. During the delivery of his Budget speech on March 23rd, 1900, Honourable W. S. Fielding said:—

“The only change in the general tariff, which I propose to ask the attention of the House to, is in the direction of free trade, to add another item to the free list. We propose to submit to the House a resolution providing that machinery, not of a class made in Canada, imported for the manufacture of beet-root sugar, shall be admitted free of duty.”

CANADIAN SECURITIES ADMITTED TO BRITISH TRUSTEE LIST.

In the course of the same speech, Honourable Mr. Fielding made the following announcement of behalf of the Government:—

“There is a subject to which I wish to make a brief allusion, and it is one not wholly unconnected with that which I have been discussing. There are vast sums of money in England in the hands of trustees, who have to invest it in the best classes of security. Unfortunately for Canada, we have never been able to obtain the admission of our securities into that trustee list, and the consequence has been that whenever we placed a loan on the market, although trustees might have been willing to invest the vast sums in their hands in Canadian securities, they could not do so, because the English law did not allow it. . . . A year ago, realizing as fully as my hon. friend (Hon. Geo. E. Foster) did the desirability of obtaining admission to the trustee list, I went into the subject very carefully and prepared a full report upon it, urging, as no doubt, my hon. friend did, in his day, that Canada ought to have her securities recognized as among the best on the English market. Negotiations were carried on for some time and I have now the satisfaction of announcing that the difficulties have been overcome, and that by arrangement between Her Majesty’s Government and the Canadian government, legislation will be introduced in the Imperial Parliament this session, when I shall have the honor of submitting a Bill to this House also, dealing with the subject, and when these two Bills, purely formal in their character, are adopted, the securities of Canada will be admitted to the trustee list from which they have hitherto been excluded. My hon. friends, the leader of the opposition and the ex-Minister of Finance, both of whom are

1900—Continued

"thoroughly familiar with this question, will realize, I am sure, the great importance of this concession, which we have obtained from Great Britain; but to those who may not be so familiar with the subject, let me say that the difference between the selling price of a security admitted to the trustee list, and one shut out from that list, is from two to three points. . . . But, if we calculate at the moderate estimate of 2 per cent on the loans which Canada will have to place in England in the next ten years, the saving will not be less than \$2,500,000.00 to the Canadian treasury."

BRITISH PREFERENCE INCREASED TO 33½ PER CENT.

Such was the success attending the operation of the British Preference that on March 23rd, 1900, the Government informed Parliament that after July 1st, 1900, the preference on British goods would be increased from 25 per cent to 33½ per cent.

TORY OPPOSITION TO BRITISH PREFERENCE PUT ON RECORD.

The Conservative party, while stigmatizing the preference as a myth, a sham, and a fraud on the British people, never by a formal vote objected to its adoption by Parliament, probably because they did not have the courage of their alleged convictions. They were, however, forced to declare themselves on the question at the session of Parliament held in 1900. Dr. B. Russell, Liberal member of Parliament for Halifax (now a Judge of the Supreme Court of Nova Scotia) moved an amendment on a motion to go into supply, which was in the following terms:—

"That this House regards the principle of British preference in the Canadian Customs Tariff as one which in its application has already resulted, and will, in an increasing measure, continue to result in material benefit to the Mother Country and to Canada, and which has already aided in welding, and must still more firmly weld together the ties which now bind them, and desires to express its emphatic approval of such British preference having been granted by the Parliament of Canada."

After a long debate a vote was taken which resulted in the Conservative party unanimously voting against the Liberal amendment.

1901.

The Session of this year followed close upon the return to power of the Liberal Government at the General Election of 1900. In his Budget speech of March 14th, 1901, Honourable W. S. Fielding confined his announcement of Government tariff intentions to the following:—

“The tariff policy we have to offer to-day is the tariff policy which we adopted in 1897 and which we have continued up to the present time. . . .

“I have stated that we shall make no changes, but that “is not strictly correct. . . . We have been asked to “consider the question of establishing the beet-root sugar “industry in this country. We have been asked to grant “bounties to that industry and we have not been able to “comply with that request. . . . At the same time we “last year made a concession to this industry in the form of “free machinery. . . . We have concluded to interpret “our act of last year and to introduce an amendment which “will make it clear that for one year, reserving the question “as to whether circumstances will warrant us in continuing “it, we will permit the free admission, under any regulations “that may be made by the Customs Department, of machin- “ery of every kind imported for the purpose of equipping a “beet-root sugar factory in the Dominion.”

FURTHER ADDITIONS TO FREE LIST

Before the end of 1901 the Government again demonstrated that their performances exceeded their promises as they had added the following articles to the Free List:—

(a) Key pins, damper springs, jacks springs, rail springs, regulating screws, spoons, bridle wires, damper wires, back check wires, dowel wires, German centre pins, brass pins, rail hooks, brass brackets, plates, damper rod nuts, damper sockets and screws, shell, brass sapstan screws, brass flange plates and screws, hammer wires, fly felt, butt felt, damper felt, hammer rail cloth, back check felt, catch felt, thin damper felt, whip cloth, bushing cloth, hammer felt, back hammer felt, bridle leather and buck-skin, when imported by manufacturers of piano keys, actions, hammers, base dampers and organ keys, to be used exclusively for the manufacture of such articles in their own factories.

(b) Botany yarn, single, in numbers 30 and finer, on mule cops, dry spun on what is known as the French and Belgian system, not doubled or twisted, in white only, when imported by manufacturers of Cashmere socks and stockings, to be used exclusively for the manufacture of such articles in their own factories.

(c) Glass caps, shells, containers and capillary tubes; rubber bulbs, boxes and corks, for use in the manufacture

1901—*Continued*

of vaccine points; and only when imported by manufacturers of vaccine points.

BOUNTIES ON LEAD REFINED IN CANADA.

To encourage the refining of lead in Canada the Government enacted Chapter 8 of 1 Edward VII. By this Act bounties were to be paid for five years beginning July 1st, 1902, at the rate of \$5.00 per ton on every ton refined during the first year and decreasing at the rate of \$1.00 per ton during each of the succeeding four years.

The total sum to be paid in any year was not to exceed \$100,000 and the Act was to cease on June 30th, 1904.

1902.

DUTY ON PRINT PAPER REDUCED.

On March 17th, 1902, Honourable W. S. Fielding delivered his Budget speech. In the course of it, he announced:—

(a) That in consequence of an investigation by Mr. Justice Taschereau into a complaint that the manufacturers of newsprint paper had formed a combine for the purpose of unfairly enhancing the price of the article, the report of the Judge had sustained the complaint and that as a result the Government had reduced the duty on printing paper such as is commonly used for newspaper purposes from 25 per cent to 15 per cent.

ADDED TO FREE LIST.

(b) That structural iron as well as machinery was to be admitted free for the purposes of beet-root sugar factories. Subsequent to the delivery of the Budget speech, there were important additions made to the Free List as follows:—

(c) Materials which enter into the construction and form part of Cream Separators when imported by manufacturers of Cream Separators to be used in their own factories for the manufacture of Cream Separators, until otherwise ordered.

(d) Silver Tubing, when imported by manufacturers of silverware to be used in their own factories in the manufacture of silverware.

(e) Hemp Bleaching Compound when imported by manufacturers of rope, to be used in their own factories for the manufacture of rope, until otherwise provided.

(f) Steel for the manufacture of Cutlery when imported by manufacturers of Cutlery to be used in their own factories in the manufacture of such articles.

(g) Yarn of jute, flax or hemp for the manufacture of towels when imported by the manufacturers of jute, linen or union towels, to be used in their own factories in the manufacture of such articles.

(h) Malleable iron or steel castings, in the rough, for the manufacture of Scissors and Hand Shears, when imported by manufacturers of Scissors and Hand Shears to be used in making such articles in their own factories.

(i) Refined Cotton Seed Oil (edible) for canning fish, until otherwise provided.

(j) Bleached palm oil when for use as material in Canadian manufactures.

1903.

FREE LIST AGAIN EXTENDED.

The Government continued to press forward its policy of Tariff Reform. On April 16th, 1903, Honourable W. S. Fielding delivered his Budget speech in the House of Commons. He made the following Government announcements:—

- (a) That it was proposed to repeal the tariff item which imposed a duty on foreign-built ships that entered for registration in Canada and impose merely a license fee on all foreign-built ships engaged in our coasting trade.
- (b) That machinery imported for the manufacture of beet-root sugar would be continued on the free list up to the 1st of July, 1904.
- (c) That with a view to encourage alluvial gold mining in the Yukon District, machinery and appliances of a kind not made in Canada for exclusive use in alluvial gold mining would be placed on the free list to June 30th, 1904.
- (d) That the Government had determined for a period of two years to suspend the charges for canal tolls and to make the entire canal system of Canada absolutely free to all.

THE GERMAN SURTAX.

Another important Government announcement made by Mr. Fielding on the same occasion was that the Government had decided to impose a Surtax in addition to the ordinary Customs Duty upon the products of Germany. That country had attempted to intimidate us by classing our products under their maximum or penalty Tariff because we had given a preference to Great Britain. When remonstrances proved of no avail the Canadian Government resorted to other means and Mr. Fielding as their spokesman announced on April 16th, 1903, that on and after the following day a Surtax of one-third the ordinary Customs duty would be imposed on German goods. The effect of this action was very marked. Within a comparatively short time the trade of Germany with us had fallen off 50 per cent.

DUTY ON STEEL RAILS.

An arrangement for the production of steel rails in Canada was ratified by Parliament. Power was given the Government to impose a duty of \$7.00 per ton on steel rails, provided, however, that such action should not be taken until the Government was satisfied that there were rail mills in Canada making the best quality of rails and in a sufficient quantity to meet the reasonable demands of the market, and that such duty when imposed would, of course, be subject to the British preference as usual.

BOUNTY ON BINDER TWINE.

The Government introduced and passed an Act (Chap. 5 of 3 Edw VII, 1903) granting a bounty on binder twine man-

1903—Continued

factured in Canada on or after September 1st, 1902, such bounty to be equal to the amount paid as export duty in the Philippine Islands on manilla fibre produced in those Islands, and used in the manufacture of binder twine in Canada. It was also provided that the bounty should not exceed three-eighths of one cent per pound on the manilla fibre so used in the manufacture of binder twine.

BOUNTY ON LEAD.

Another Government measure enacted in the Session of 1903 was an Act to provide for the payment of bounties on lead contained in lead-bearing ores mined in Canada. It is Chap. 31 of 3 Edward VII. The bounty authorized was a payment of seventy-five cents per one hundred pounds and it was provided that the sum so to be paid should not exceed \$500,000 in any fiscal year. The act further stipulated that the bounties would cease on June 30th, 1908, and by Section 7 it repealed Chapter 8 of the Statutes of 1901 intituled "An Act to provide for the payment of bounties on lead refined in Canada."

BOUNTIES ON STEEL AND IRON.

A further Government measure enacted in 1903 was the Statute Chap. 68 of 3 Edward VII. It is styled "An Act to amend Chapter 8 of the Statutes of 1899 respecting the Bounties on Steel and Iron and to provide for the payment of bounties on certain articles manufactured from steel." The bounties to be paid under this Act were as follows:—

- (a) A bounty of \$6.00 per ton on wire rods.
- (b) A bounty of \$3.00 per ton on other rolled shapes; and
- (c) A bounty of \$3.00 per ton on rolled plates not less than thirty inches wide and one-quarter of an inch thick.

By another provision of the same Act the bounties on iron and steel authorized by the Statutes of 1897 and 1899 were continued until June 30th, 1907, but on a diminishing scale.

RECIPROCITY AND THE JOINT HIGH COMMISSION.

During this year an approach was made to the Canadian Government on the part of an authorized representative of the United States Government for the purpose of re-opening the discussion of Reciprocity and other subjects referred to the High Joint Commission. It was pointed out that as the Alaska Boundary question had been referred to a special tribunal the High Joint Commission should be again convened. Sir Wilfrid Laurier replied that owing to the dates of the Session of the American Congress and of the Canadian Parliament it would not be possible to hold sittings of the Commission until the following year, and that meanwhile he desired to be assured

1903—Continued

informally by his correspondent that there was reasonable certainty of the parties coming to a conclusion on important points. Unless he had this assurance Sir Wilfrid expressed the opinion that it would be inadvisable for the Commission to meet officially. The United States representative acquiesced in these views and there the matter rested for the time being.

1904.

TARIFF REVISION DOWNWARDS.

The policy of the Government to remove inequalities and to benefit the people at large was advanced in large degree during this year. There were fourteen articles placed on the Free List and on fourteen others the duties were materially reduced.

ENLARGING THE FREE LIST.

The articles placed on the Free List were as follows:—

Molasses, the produce of any British country entitled to the benefits of the British Preferential Tariff;

Crude petroleum, fuel and gas oils;

Ferment cultures to be used in butter making;

Artificial teeth after April 1st, 1905;

Glass cut to size for the manufacture of dry plates for photographic purposes, when imported by the manufacturers of such dry plates for use exclusively in the manufacture thereof in their own factories;

Goats for the improvement of stock, under such regulations as are made by the Minister of Customs;

Hydro-fluo-silicic acid;

Machinery of a class or kind not made in Canada for the manufacture of linen;

Machinery of a class or kind not made in Canada for the manufacture of brass goods such as are mentioned in item 492 in schedule B to *The Customs Tariff 1897*;

Plain basic photographic paper, baryta coated, when imported by manufacturers of sensitized paper for use exclusively in manufacturing albumenized or sensitized photographic paper in their own factories;

Printing presses, of not less value than fifteen hundred dollars each, of a class or kind not made in Canada;

Quassia juice used in spraying;

Well-drilling machinery and apparatus of a class or kind not made in Canada, for drilling for water and oil and for prospecting for minerals; not to include motive power;

Whale oil soap used by nursery-men;

Philosophical and scientific apparatus, utensils, instruments and preparations, including boxes and bottles containing the same, of a class or kind not manufactured in Canada. These were formerly on the free list but the item covering them was re-enacted in 1904 in a larger and more ample form.

DUTIES REDUCED.

The articles on which duties were reduced and the rates of reduction were as follows:—

1904—Continued

Paraffine wax candles, from 30 per cent to 25 per cent ad valorem.

Paraffine wax, from 30 per cent to 25 per cent ad valorem.

Illuminating oils composed wholly or in part of the products of petroleum, coal, shale or lignite, costing more than thirty cents per gallon, from 25 per cent to 20 per cent ad valorem.

Lubricating oils, composed wholly or in part of petroleum, costing less than twenty-five cents per gallon, from 5 cents per gallon to $2\frac{1}{2}$ cents per gallon.

Crude petroleum, gas oils (other than naphtha, benzine, and gasoline), lighter than .8235 but not less than .775 specific gravity, at 60° temperature, from 5 cents per gallon to $1\frac{1}{2}$ cents per gallon.

Oils, coal and kerosene, distilled, purified or refined, naphtha and petroleum, and products of petroleum, n.e.s., from 5 cents per gallon to $2\frac{1}{2}$ cents per gallon.

Lubricating oils, n.e.s., and axle grease, from 25 per cent to 20 per cent ad valorem.

Vaseline, and all similar preparations of petroleum for toilet, medicinal or other purposes, from 35 per cent to 25 per cent ad valorem.

Common and colourless window glass, from 20 per cent to 15 per cent ad valorem.

Plate glass not bevelled, in sheets or panes not exceeding seven square feet each, n.o.p., from 25 per cent to 10 per cent ad valorem.

Silk fabrics when imported by manufacturers of neckties for use exclusively in the manufacture of neckties in their own factories under regulations to be made by the Minister of Customs, from 30 per cent to 10 per cent ad valorem.

Artificial teeth, until April 1, 1905, from 20 per cent to 10 per cent ad valorem.

Besides the foregoing reductions the duty on two other classes of articles when imported under the British Preferential Tariff, was reduced as follows:—

On tableware of china, porcelain or other white clay, from 20 per cent to 15 per cent ad valorem.

On common and colourless window glass from $13\frac{1}{2}$ per cent to $7\frac{1}{2}$ per cent ad valorem.

BOUNTY ON CRUDE OIL.

Coincident with the tariff changes of this year already set forth, there was enacted The Petroleum Bounty Act, being Chapter 28 of the Statutes of 1904. This legislation gave the producers of crude oil a bounty of $1\frac{1}{2}$ cents per gallon in order that the refineries might be kept running.

1904—Continued

A DIFFICULT SITUATION SKILFULLY HANDLED.

As the coal oil question had been prominent in tariff discussions for years it is important to know precisely how the Government dealt with it.

Prior to 1904 the duty was 5 cents per gallon on the refined oil as well as on the crude. There were three different interests to consider, namely, the consumer, the oil producer, and the oil refiner. This made the situation a difficult one to adjust satisfactorily. The consumers complained bitterly that the tax was too heavy. In their judgment it was inequitable to burden them in the interest of a limited number of producers. It was established also that the production of crude oil in Canada had diminished steadily for some years, and that the home supply was inadequate to keep the Canadian refiners running at even half their capacity. The Government, after carefully considering all phases of the question reduced the refined oil duty from 5 cents per gallon to $2\frac{1}{2}$ cents, and placed crude oil for refining on the Free List, also oil such as is generally used by manufacturers for fuel purposes. The duties on other products of petroleum, such as paraffin wax, lubricating oils, axle grease and vaseline, were reduced to a ratio corresponding with the reduction in refined oil. The oil producers were then compensated by a bounty of $1\frac{1}{2}$ cents per gallon.

In his Budget Speech the Finance Minister estimated that the net saving to the people, after paying bounties, would be about \$400,000 per annum.

DUTIES INCREASED.

There were two increases of duty in this year, namely, on woollen goods (not including blankets, bed-comforters, counterpanes, or flannels) from $23\frac{1}{2}$ per cent to 30 per cent, and on twine and cordage (not including binder twine) from $16\frac{2}{3}$ per cent to 20 per cent ad valorem.

ANTI-DUMPING LAW.

To prevent high tariff trusts and combines in other countries from sending their goods into Canada and selling them at a sacrifice price after they had secured control of their home markets, the Government included in the Customs Act of this year (Chapter 11 of the Statutes of 1904) what is known as the anti-dumping clauses. By these clauses a special duty was imposed on dumped goods. This special duty was the difference between the price at which the goods were sold, that is, the sacrifice price, and the fair market value of these goods as established under the customs law of the country.

LAW AGAINST TOBACCO COMBINES.

Following an investigation by Judge MacTavish, the Government enacted a law, Chapter 17 of the Statutes of 1904, to prevent The American Tobacco Company and the Empire Tobacco Company from exercising a monopoly in Canada.

1905.

SEVERAL TARIFF CHANGES.

The Government announced that there would not be any tariff changes of an important character during the year. Those that were made may be briefly summarized.

ROLLED OATS.—Representations were made to the Government that the duty on the raw material was higher than the duty on the finished article; that there had been a large increase in the importation of rolled oats; and that because of the discrimination Canadian mills had been idle. To equalize the duties and thus remove the discrimination, the Government imposed a duty on rolled oats of 60 cents per 100 pounds.

DRY WHITE LEAD.—The duty on dry white lead was placed in the 5 per cent list when there was no establishment in Canada producing that article. But the manufacture of pig lead having been started in British Columbia and an establishment for converting it into dry white lead having been erected at Montreal, it was decided to put these plants on terms of equality with other manufacturing industries by making the duty on dry white lead 30 per cent, subject, of course, to the British preference.

WHITE LEAD GROUND IN OIL.—The duty on this article stood at 25 per cent, but as it was affected by the changed rate on dry white lead, the Government increased the duty from 25 per cent to 35 per cent.

CEMENT.—The duty on cement was levied per 100 pounds, the weight of the package being included in the weight for duty. British and Belgian cement was imported in casks and barrels; that from the United States in bags. This resulted in a discrimination against British and Belgian cement which it was deemed advisable to remove and the Government placed a tax of 25 per cent ad valorem on the bags which contained cement.

SOUTH AFRICAN WINES.—To develop trade with South Africa it was proposed to admit the wines of that country at the same rate per gallon as the light wines of France were admitted. Accordingly the Government fixed the rate at 25 cents per gallon.

SETTLERS' EFFECTS.—These were on the free list but owing to a too generous interpretation of the item, the Government re-enacted it in terms designed to admit the effects of a bona-fide settler, but that would exclude articles destined for sale in Canada and such things as contractors' outfits.

MOLASSES.—This was on the free list and the Government enacted an amendment that whether molasses came direct from a British colony or by way of Newfoundland, it was to be admitted free into Canada.

MACHINERY FOR ALLUVIAL GOLD MINING AND BEET ROOT SUGAR MANUFACTURING.—The exemption from duty on these two classes of machinery was continued until July 6th, 1906.

1906.

CHANGE IN FISCAL YEAR.

Prior to 1906 the fiscal year of the Dominion had terminated annually on the 30th of June. A change was made by the Government and it was announced on May 22nd, 1906, that beginning in 1907 the fiscal year thereafter would end on March 31st.

EXEMPTIONS CONTINUED.

In the Budget speech of this year, Hon. Mr. Fielding outlined two resolutions confirming the exemption from duty of machinery for alluvial gold mining and for the manufacture of beet root sugar and extending the exemption to December 31st, 1906.

A TARIFF CHANGE.

Another tariff resolution of this year provided that in the case of old steel rails that had been in use and were afterwards sent to the United States to be re-rolled, a duty of 25 per cent on the value of the labor employed in this work in the United States would be imposed when the rails were brought back to Canada.

REVISED TARIFF PROMISED.

During the year a Committee of the Cabinet composed of the Minister of Finance, the Minister of Customs, the Minister of Inland Revenue, and the Minister of Trade and Commerce, made an extended tour of the country inquiring into the desires of the people of all classes in relation to the tariff. In his budget speech of May 22nd, 1906, Hon. Mr. Fielding announced that at the following Session the Government would bring forward a revised tariff devised to meet the requirements of all interests in the country and so framed as to continue the period of tariff stability under which the industries of Canada had prospered since the advent to power of the Liberal Party.

1907.

THE NEW TARIFF.

Promptly at the beginning of the Session of 1906-07, the Government presented a full revision of the Canadian tariff. Later on in the same session the Government proposals were embodied in an Act known as Chapter II of 6-7 Edward VII, which is usually cited as The Customs Tariff, 1907.

CHANGES MADE.

In explaining the features of the new tariff, Hon. W. S. Fielding pointed out a change in form to secure convenience and simplicity. To this end, goods were classified in groups according to their nature, and instead of giving the free list in full at the end of the tariff, each item of the free list was put in its proper class and position.

By the new legislation the dumping clause and the anti-combine clause in the tariff were continued; power was taken to institute Government prosecutions against any persons shown in any legal proceedings to be engaged in conspiracy or combine to enhance prices; arrangements were made to continue the manufacture and sale by the Government at cost price of methylated spirits for the purpose of fuel, light and power; the iron and steel bounties were re-arranged so as to run out on January 1st, 1911; a special scale of rates was laid down to apply to iron from native ore; reductions in the duty on many articles were provided for; increases were made in other cases as the results of experience in the operation of The Tariff of 1897; and the free list was enlarged by a number of important additions.

SOME OF THE REDUCTIONS.

In metals the rates on lead manufactures, including lead pipe were reduced, as also were those on tinware zinc and aluminum.

On Reapers, Mowers, Self-binders, Binding attachments and Harvesters, the duty was reduced from 20 per cent to 17½ per cent.

On Windmills and complete Threshing Machine outfits, the duty was reduced from 25 per cent to 20 per cent.

On Axes, Scythes, Sickles, Hay Knives, Edging Knives, Hoes, Rakes and Pronged Forks there was a reduction of duty from 25 per cent to 22½ per cent.

On Shovels and Spades, Shovel and Spade Blanks, and iron or steel cut shapes for the same and for Lawn Mowers, there was a reduction of duty from 35 per cent to 32½ per cent.

On Typewriters the duty was reduced from 25 per cent to 20 per cent.

And on stereotypes, electrotypes and matrices, the duty was reduced from 2½ cents per square inch to ½ cent per square inch.

1907—Continued

The foregoing is a brief outline of the character of the reductions made in the new tariff. For full particulars the reader is referred to Hansard of 1906-07, page 278, and to Chapter 11 of the Statutes of 1907—The Customs Tariff Act.

THE FREE LIST.

Details as to the Free List may also be obtained in the Hansard and the Statute mentioned.

Among the items added to the Free List by the new tariff were machinery for the manufacture of twine, cordage, rope, linen and for the preparation of flax fibre; blast furnace slag trucks of a kind not made in Canada; parts of miner's safety lamps and accessories for cleaning, filling and testing such lamps; blast furnaces for the testing of copper and nickel; and surgical operating tables for use in hospitals.

Two other changes of importance were introduced in the Free List. Well-drilling machinery for boring and drilling for water was free when not made in Canada. Under the new tariff it was free whether made in Canada or not. Formerly tubes and cones of paper to be used in winding yarns in cotton mills were free of duty. Under the new tariff they were discontinued free, but the item was extended so as to allow free entry of such tubes and cones for woollen mills and other textile industries.

In Schedule A of the revised tariff of 1907 there were 711 items. Of these 253 were on the Free List.

TREATY WITH JAPAN.

A Treaty of Commerce and Navigation between Great Britain and Japan was entered into on July 16th, 1894, and by a convention signed at Tokio on January 31st, 1906, the provisions of this treaty were applied to Canadian commerce and navigation. The convention thus signed was sanctioned by an Act of the Parliament of Canada, which was assented to on January 30th, 1907. This Act is Chapter 50 of 6-7 Edward VII. It is called The Japanese Treaty Act, 1906.

By the Treaty and convention Japan guarantees Most Favoured Nation treatment to Canadian products going to that country. In other words, Canadian products are placed under the minimum tariff of Japan.

1908.

NO CUSTOMS TARIFF CHANGES.

In this year there were no tariff changes made as respects customs. The new tariff of the preceding year precluded any necessity for making such changes.

However the Government made some important changes in the excise laws, but they were not intended to affect the revenue. These related to a readjustment of the taxation on tobacco. The Government desired to have a uniform license instead of a varying license and a uniform stamp rather than the varying stamps used up to that time. A further desire on the part of the Government was to have the tax on the raw leaf rather than on the manufactured article.

BOUNTIES ON LEAD.

An Act was passed amending the provisions of Chapter 31 of the Statutes of 1903. The new Act is Chapter 43 of the Statutes of 1908. It authorized the payment of a bounty of 75 cents per 100 pounds on lead contained in lead-bearing ores mined in Canada on and after July 1st, 1908, and it placed a limitation on the total amount so to be paid. The bounties payable under the Act were to cease on June 30th, 1913.

BOUNTIES ON PETROLEUM.

Further legislation on the subject of bounties was contained in Chapter 52 of the Statutes of 1908. This Act repealed The Petroleum Bounties Act of 1904 and authorized the payment of a bounty of 1½ cents per imperial gallon on all crude petroleum produced from wells in Canada or from shales or other substances mined in Canada.

THE FRENCH TREATY.

The Hon. W. S. Fielding, Minister of Finance, and the Hon. L. P. Brodeur, Minister of Marine and Fisheries (now a Judge of the Supreme Court of Canada), acting on behalf of the Canadian Government and associated with Sir Francis Bertie, British Ambassador at Paris, concluded a trade treaty with France on September 19th, 1907. This treaty was approved by Parliament in an Act known as Chapter 28 of the Statutes of 1908.

The list of articles covered by the Treaty is very much larger than the list of articles specified in the old French Treaty of 1894, and the concessions made to Canadian products going into France are also very much greater.

1909.

ENLARGING THE FREE LIST.

During this year the following articles were transferred to the free list:—

- (a) Brass in bars and rods;
- (b) Asphaltum oil for use only for paving purposes;
- (c) Pressed felt, elastic webbing and hollow blocks of wood, when used in the manufacture of artificial limbs;
- (d) Iron or steel rods, rolled or drawn, when used in the manufacture of chain.

REDUCING DUTIES.

Duties were reduced on the following articles:—

- (a) Finished parts of iron or steel for repairs of portable and of traction engines for farm purposes;
- (b) Flat steel, cold rolled, and used only in the manufacture of cups and cones for ball bearings;
- (c) Tinsel threads and wire when imported by manufacturers of braids, cords, tassels, ribbons or trimmings, for use only in the manufacture of such articles in their own factories.

CHANGES IN SUGAR DUTIES.

For two years the manufacturers of beet-root sugar had been allowed to bring in foreign sugar at the same rate as if it were British grown sugar. In 1909 this was continued for 3 years from 1909, and for 2 further years on a reduced scale.

The sugar refiners, other than those engaged in the beet industry, were given the privilege of importing foreign sugar at the preferential rate, to the extent, however, of only one-fifth of the quantity of the refined sugar which they produced.

TRADE WITH THE WEST INDIES.

Announcement was made by the Government that they proposed to join in a Commission of Inquiry to be appointed by the British Government for the purpose of inquiring into the trade relations between Canada and the West Indies

COMMISSION APPOINTED.

Later on the Commission was appointed by the British Government. It consisted of three representatives from Great Britain, namely, Lord Balfour of Burleigh, who was the Chairman Sir John Dickson Poynder and Sir Daniel Morris, and two Canadians, Hon. Wm. Paterson, Minister of Customs, and Hon. W. S. Fielding, Minister of Finance.

1910.

BUDGET ANNOUNCEMENTS.

As contained in the Budget speech, the Government announcements for this year were to the effect that no tariff changes would be proposed and that a measure would be submitted to render more effective the existing legislation against combinations which unduly enhanced prices. In due course this was done.

BOUNTIES ON WIRE RODS TERMINATED.

The Government, in this year, passed legislation providing that no bounties would be payable in respect of rolled round wire rods after June 30th, 1911. The Act in question is Chapter 33 of 9-10 Edward VII of the Statutes of 1910.

BOUNTIES ON LEAD AND ZINC.

Another Act passed during the same Session of Parliament was Chapter 37 of the Statutes of 1910, relating to the payment of bounties on lead, and for the purpose of promoting the production in Canada of zinc. The Act of 1908, being Chapter 43 of the Statutes of that year, was amended and by the new Act authority was given for the expenditure of a sum not exceeding \$50,000 in making experiments, and for otherwise investigating the processes used in the production of zinc.

GERMAN SURTAX SUSPENDED.

Trade Arrangement with Germany.

Germany having abandoned her contention that German goods should receive in Canada the same treatment as the products of the United Kingdom, and having applied to the Canadian Government for a reconsideration of commercial relations the surtax against German goods was suspended. A trade arrangement was entered into whereby German products were admitted into Canada under the terms of the General Tariff and in return for this concession Canada received the benefits of the German Conventional Tariff upon a list of specified products.

TRADE ARRANGEMENT WITH BELGIUM.

Following the denunciation of the Belgian Treaty in 1898, the Belgian Government, unlike that of Germany, took no exception to the granting of a preference by Canada to British goods and Canada continued to enjoy most favoured nation treatment on the importation of Canadian products into Belgium. Therefore, when Belgium asked that the concessions granted by Canada to France and certain other countries should also be extended to her, the Canadian Government acceded to the request and a trade arrangement was entered into whereby

1910—Continued

the products of Canada continued to enjoy Most Favoured Nation treatment in Belgium and the benefits of the Canadian Intermediate Tariff were extended to a specified list of Belgian goods.

TRADE WITH THE NETHERLANDS.

The Customs Tariff of The Netherlands was exceedingly low and numerous articles of Canadian export were admitted into that country free. In view of the treatment thus accorded by the Netherlands to the products of Canada, the benefits of the Canadian Intermediate Tariff were extended to a specified list of goods, the produce or manufacture of The Netherlands.

TRADE ARRANGEMENT WITH ITALY.

Representations were made by the Royal Consul of Italy for Canada as to the desirability of a Commercial Treaty to govern relations between Italy and Canada, but as the making of a treaty in the usual formal manner would involve considerable delay, the Government of Canada preferred to secure the trade that offered by entering into a trade arrangement that was speedily concluded. Under this arrangement Italy granted Canada the benefits of her Conventional Tariff on a specified list of products in return for the granting by Canada of the benefits of the Intermediate Tariff on a specified list of Italian products.

TRADE ARRANGEMENT WITH THE UNITED STATES.

In the United States new tariff legislation known as the Payne-Aldrich Bill had been introduced. It contained a maximum and a minimum tariff and there was anxiety in many parts of Canada lest the maximum tariff would be applied to the goods of this country entering the United States. The Act required the application of the maximum to the products of all countries that did not grant satisfactory tariff terms to the United States. The Laurier Government feeling that its tariff was not unfair was not disposed to propose any new conditions to the States, but let it be known that if the Americans had any suggestions to offer they would be considered. The American Government sent their tariff experts to Ottawa to look into the situation. Then President Taft came half way to meet Canada. On the President's invitation, Mr. Fielding met him at Albany, N.Y., where the whole question was discussed in a friendly spirit. As a result of these discussions certain minor alterations of an unimportant character were made in our tariff, and in return the United States granted us the benefits of their minimum tariff as contained in the Payne-Aldrich Bill.

1910—*Continued*

FARMERS DEMAND RECIPROCITY.

On December 16th, 1910, a Farmers' Delegation nearly one thousand strong waited upon the Government at Ottawa and asked that a reciprocal trade arrangement be made with the United States and that "it be carried into effect through the independent action of the respective governments, rather than by the hard and fast requirements of a treaty."

1911.

THE RECIPROCITY AGREEMENT.

In view of the tariff understanding reached in 1910 and of the increasing friendly relations between the two countries it was not surprising that the Canadian Government acted upon a suggestion from Washington that the reciprocity negotiations should be resumed. Accordingly on the invitation of President Taft, Hon. Mr. Fielding and Hon. Mr. Paterson visited Washington and a reciprocity arrangement covering natural products and a few manufactures was agreed upon.

PROTEST FROM CANADIAN MANUFACTURERS' ASSOCIATION.

Before the reciprocity trade agreement so arranged was presented to Parliament, the Canadian Manufacturers' Association sent a large delegation to Ottawa and on January 13th, 1911, they presented a memorial to the Government protesting against reciprocity in manufactured articles.

PARLIAMENT APPLAUDS THE BARGAIN.

On January 26th, 1911, the terms of the reciprocity arrangement were communicated to Parliament. These terms were so favorable to Canada that surprise gave way to pleasure and before the reading of the first Schedule containing the list of articles made free of duty had proceeded very far, there was general applause from the Members. In fact, several Conservatives, who afterwards became conspicuous opponents of the Reciprocity Agreement, led in applauding its terms as they were first announced in the House of Commons.

THE SCHEDULES IN THE BARGAIN.

Hon. W. S. Fielding, on the occasion mentioned, in referring to the schedules in the Reciprocity arrangement said:—

“As respects a considerable list of articles produced in both countries, we have been able to agree that they shall be reciprocally free. A list of the articles to be admitted free of duty into the United States when imported from Canada, and into Canada when imported from the United States, is set forth in Schedule A.

“As respects another group of articles, we have been able to agree upon common rates of duty to be applied to such articles when imported into the United States from Canada or into Canada from the United States. A list of these articles, with the rates of duty, is set forth in Schedule B.

“In a few instances it has been found that the adoption of a common rate will be inconvenient and therefore exemptions have been made.

1911—Continued

"Schedule C specifies articles upon which the United States will levy the rates therein set forth when such articles are imported from Canada.

"Schedule D specifies articles upon which Canada will levy the rates therein set forth when such articles are imported from the United States."

SCHEDULE A.

Articles the growth, product or manufacture of the United States to be admitted into Canada free of duty when imported from the United States, and reciprocally articles of growth, product or manufacture of Canada to be admitted into the United States free of duty when imported from Canada:

Live Animals, viz.: Cattle, horses and mules, swine, sheep, lambs, and all other live animals.

Poultry, dead or alive.

Wheat, rye, oats, barley and buckwheat; dried pease and beans, edible.

Corn, sweet corn, or maize (except into Canada for distillation).

Hay, straw, and cow pease.

Fresh vegetables, viz.: Potatoes, sweet potatoes, yams, turnips, onions, cabbages, and all other vegetables in their natural state.

Fresh fruits, viz.: Apples, pears, peaches, grapes, berries, and all other edible fruits in their natural state.

Dried fruits, viz.: Apples, peaches, pears, and apricots, dried, dessicated or evaporated.

Dairy products, viz.: Butter, cheese and fresh milk and cream. Provided that cans actually used in the transportation of milk or cream may be passed back and forth between the two countries free of duty, under such regulations as the respective governments may prescribe.

Eggs of barnyard fowl, in the shell.

Honey.

Cotton-seed oil.

Seeds, viz.: Flaxseed or linseed, cotton-seed, and other oil seeds, grass seed, including timothy and clover seed; garden, field, and other seed not herein otherwise provided for, when in packages weighing over one pound each (not including flower seeds).

Fish of all kinds, fresh, frozen, packed in ice, salted or preserved in any form, except sardines and other fish preserved in oil; and shell fish of all kinds, including oysters, lobsters and clams in any state, fresh or packed, and coverings of the foregoing.

Seal, herring, whale, and other fish oil, including cod oil.
Salt.

1911—Continued

Mineral waters, natural, not in bottles or jugs.

Timber, hewn, sided or squared otherwise than by sawing, and round timber used for spars or in building wharves.

Sawed boards, planks, deals and other lumber, not further manufactured than sawed.

Paving posts, railroad ties, and telephone, trolley, electric light and telegraph poles of cedar or other woods.

Wooden staves of all kinds, not further manufactured than listed or jointed, and stave bolts.

Pickets and palings.

Plaster rock of gypsum, crude, not ground.

Mica, unmanufactured or rough trimmed only, and mica ground or bolted.

Feldspar, crude, powdered or ground.

Asbestos not further manufactured than ground.

Fluorspar crude, not ground.

Glycerine, crude, not purified.

Talc, ground, bolted or precipitated, naturally or artificially, not for toilet use.

Sulphate of soda, or salt cake; and soda ash.

Extracts of hemlock bark.

Carbon electrodes.

Brass in bars and rods, in coil or otherwise, not less than six feet in length, or brass in strips, sheets or plates, not polished, planished or coated.

Cream separators of every description, and parts thereof imported for repair of the foregoing.

Rolled iron or steel sheets, or plates, number fourteen gauge or thinner, galvanized or coated with zinc, tin or other metal, or not.

Crucible cast steel wire, valued at not less than six cents per pound.

Galvanized iron or steel wire, curved or not, numbers nine, twelve and thirteen wire gauge.

Typecasting and typesetting machines and parts thereof, adapted for use in printing offices.

Barbed fencing wire of iron or steel, galvanized or not.

Coke.

Rolled round wire rods in the coil, of iron or steel, not over three-eighths of an inch in diameter, and not smaller than number six wire gauge.

Pulp of wood mechanically ground; pulp of wood, chemical, bleached or unbleached; news print paper, and other paper, and paper board, manufactured from mechanical wood pulp or from chemical wood pulp, or of which such pulp is the component material of chief value, coloured in the pulp, or not coloured, and valued at not more than four cents per pound, not including printed or decorated wall paper.

1911—Continued

Provided that such paper and board, valued at four cents per pound or less, and wood pulp, being the products of Canada, when imported therefrom directly into the United States, shall be admitted free of duty, on the condition precedent that no export duty, export license fee, or other export charge of any kind whatsoever (whether in the form of additional charge of license fee or otherwise) or any prohibition or restriction in any way of the exportation (whether by law, order, regulation, contractual relation, or otherwise, directly or indirectly) shall have been imposed upon such paper, board, or wood pulp, or the wood used in the manufacture of such paper, board or wood pulp, or the wood pulp used in the manufacture of such paper or board.

Provided also that such wood pulp, paper or board, being the products of the United States, shall only be admitted free of duty into Canada from the United States when such wood pulp, paper or board, being the product of Canada, are admitted from all parts of Canada free of duty into the United States.

NOTE.—It is understood that fresh fruits to be admitted free of duty into the United States from Canada do not include lemons, oranges, limes, grape fruit, shaddocks, pomelos, or pineapples.

It is also understood that fish oil, whale oil, seal oil and fish of all kinds, being the product of fisheries carried on by fishermen of the United States shall be admitted into Canada as the product of the United States, and similarly that fish oil, whale oil, seal oil and fish of all kinds, being the product of fisheries carried on by the fishermen of Canada, shall be admitted into the United States as the product of Canada.

SCHEDULE B.

Articles the growth, product or manufacture of the United States to be admitted into Canada at the undermentioned rates of duty when imported from the United States; and reciprocally the same articles the growth, product or manufacture of Canada to be admitted into the United States at identical rates of duty when imported from Canada:—

Articles	Rates of Duties
Fresh meats, viz.:—Beef, veal, mutton, lamb, pork, and all other fresh or refrigerated meats excepting game.	1 $\frac{1}{4}$ cents per pound.
Bacon and hams, not in tins or jars.	1 $\frac{1}{4}$ cents per pound.
Meats of all kinds, dried, smoked, salted, in brine, or prepared or preserved in any manner, not otherwise herein provided for.	1 $\frac{1}{4}$ cents per pound.
Canned meats and canned poultry	20 per cent ad valorem

1911—Continued

Articles	Rates of Duties
Extracts of meats, fluid or not.....	20 per cent ad valorem
Lard, and components thereof, cottolene and cotton stearine, and animal stearine	1½ cents per pound.
Tallow.....	40 cents per 100 lbs.
Egg yolk, egg albumen and blood albumen	7½ per cent ad valorem
Fish (except shell fish), by whatever name known, packed in oil, in tin boxes or cans, including the weight of the package:—	
(a) when weighing over twenty ounces and not over thirty-six ounces each ..	5 cents per package.
(b) when weighing over twelve ounces and not over twenty ounces each ..	4 cents per package.
(c) when weighing twelve ounces each or less.....	2 cents per package.
(d) when weighing thirty-six ounces each or more, or when packed in oil, in bottles, jars or kegs	30 per cent ad valorem
Tomatoes and other vegetables, including corn, in cans or other air-tight packages, and including the weight of the package.	1½ cents per pound.
Wheat flour and semolina; and rye flour.	50c. per bbl. of 196 lbs.
Oatmeal and rolled oats, including the weight of paper covering.....	50c. per 100 lbs.
Corn meal.....	12½c. per 100 lbs.
Barley malt.....	45c. per 100 lbs.
Barley, pot pearled and patent.....	One-half cent per lb.
Buckwheat flour or meal.....	One-half cent per lb.
Split pease, dried.....	7½ c.pr bush. of 60 lbs.
Prepared cereal foods, not otherwise pro- vided for herein.....	17½ per cent ad valorem
Bran, middlings and other offals of grain used for animal food.....	12½ cents per 100 lbs.
Macaroni and vermicelli.....	One cent per pound.
Biscuits, wafers and cakes, when sweetened with sugar, honey, molasses or other material.....	25 per cent ad valorem
Biscuits, wafers, cakes and other baked articles composed in whole or in part of eggs or any kind of flour or meal when combined with chocolate, nuts, fruit or confectionery; also candied peel, candied pop corn, candied nuts, candied fruits, sugar candy and confectionery of all kinds.....	32½ per cent ad valorem
Maple sugar and maple syrup.....	One cent per pound.
Pickles, including pickled nuts; sauces of all kinds, and fish paste or sauce.....	32½ per cent ad valorem

1911—Continued

Articles	Rates of Duties
Cherry juice and prune juice, or prune wine, and other fruit juices, and fruit syrup, non-alcoholic.....	$17\frac{1}{2}$ per cent ad valorem
Mineral waters and imitations of natural mineral waters, in bottles or jugs.....	$17\frac{1}{2}$ per cent ad valorem
Essential oils.....	$7\frac{1}{2}$ per cent ad valorem
Grape vines; gooseberry, raspberry and currant bushes.....	$17\frac{1}{2}$ per cent ad valorem
Farm wagons and finished parts thereof.....	$22\frac{1}{2}$ per cent ad valorem
Ploughs, tooth and disc harrows, harvesters, reapers, agricultural drills and planters, mowers, horse-rakes, cultivators; threshing machines, including wind-stackers, baggers, weighers and self-feeders therefor; and finished parts thereof imported for repair of the foregoing. 15 per cent ad valorem	
Portable engines with boilers, in combination, horse-powers and traction engines, for farm purposes; hay loaders, potato diggers, fodder or feed cutters, grain crushers, fanning mills, hay tenders, farm or field rollers, manure spreaders, weeders and windmills; and finished parts thereof imported for repair of the foregoing, except shafting.....	20 per cent ad valorem
Grindstones of sandstone, not mounted, finished or not.....	5 cents per 100 lbs.
Freestone, granite, sandstone, limestone. and all other monumental or building stone, except marble, breccia and onyx, unmanufactured or not, dressed, hewn or polished.....	$12\frac{1}{2}$ per cent ad valorem
Roofing slates.....	55 cents per 100 sq. ft.
Vitrified paving blocks, not ornamented or decorated in any manner and paving blocks of stone.....	$17\frac{1}{2}$ per cent ad valorem
Oxide of iron, as a colour.....	$22\frac{1}{2}$ per cent ad valorem
Asbestos further manufactured than ground; manufactures of asbestos, or articles of which asbestos is the component material of chief value, including woven fabrics wholly or in chief value of asbestos.....	$22\frac{1}{2}$ per cent ad valorem
Printing ink.....	$17\frac{1}{2}$ per cent ad valorem
Cutlery, plated or not, viz.:—Pocket knives, pen knives, scissors and shears, knives and forks for household purposes, and table steel.....	$27\frac{1}{2}$ per cent ad valorem

1911—Continued

Articles	Rates of Duties
Bells and gongs; brass corners and rules for printers.....	$27\frac{1}{2}$ per cent ad valorem
Basins, urinals and other plumbing fixtures for bath rooms and lavatories; bath tubs, sinks and laundry tubs, of earthenware, stone, cement or clay, or of other material.....	$32\frac{1}{2}$ per cent ad valorem
Brass band instruments.....	$22\frac{1}{2}$ per cent ad valorem
Clocks, watches, time recorders, clock and watch keys, clock cases, and clock movements.....	$27\frac{1}{2}$ per cent ad valorem
Printers' wooden cases and cabinets for holding type.....	$27\frac{1}{2}$ per cent ad valorem
Wood flour.....	$22\frac{1}{2}$ per cent ad valorem
Canoes and small boats of wood, not power boats.....	$22\frac{1}{2}$ per cent ad valorem
Feathers, crude, not dressed, coloured or otherwise manufactured.....	$12\frac{1}{2}$ per cent ad valorem
Antiseptic surgical dressings, such as absorbent cotton, cotton wool, lint, lamb's wool, tow, jute, gauzes and oakum, prepared for use as surgical dressings, plain or medicated, surgical trusses, pessaries, and suspensory bandages of all kinds.....	$17\frac{1}{2}$ per cent ad valorem
Plate glass, not bevelled, in sheets or panes exceeding seven square feet each, and not exceeding twenty-five square feet each.....	25 per cent ad valorem
Motor vehicles other than for railways and tramways, and automobiles, and parts thereof, not including rubber tires.....	30 per cent ad valorem
Iron or steel digesters for the manufacture of wood pulp.....	$27\frac{1}{2}$ per cent ad valorem
Musical instrument cases, fancy cases or boxes, portfolios, satchels, reticules, card cases, purses, pocket books, fly books for artificial flies, all the foregoing composed wholly or in chief value of leather.....	30 per cent ad valorem

SCHEDULE C.

Articles the growth, product or manufacture of Canada to be admitted into the United States at the undermentioned rates of duty when imported from Canada:—

Articles	Rates of Duties
Aluminum in crude form.....	5 cents per pound.

1911—Continued

Articles	Rates of Duties
Aluminum in plates, sheets, bars and rods.	8 cents per pound.
Laths.	10 cents per 1,000 pcs.
Shingles.	30 cents per thousand.
Sawed boards, planks, deals and other lumber, planed or finished on one side.	50c. per M. feet B.M.
Planed or finished on one side and tongued and grooved, or planed and finished on two sides.	75c. per M. feet B.M.
Planed or finished on three sides, or planed and finished on two sides and tongued and grooved.	\$1.12 $\frac{1}{2}$ per M. ft. B. M.
Planed and finished on four sides and in estimating board measure under this schedule, no reduction shall be made on board measure on account of planing, tonguing and grooving.	\$1.50 per M. feet B.M.
Iron ore, including manganeseiferous iron ore, and the dross or residuum from burnt pyrites.	10c. per ton of 2,240 lbs
Coal slack or culm, of all kinds, such as will pass through a half-inch screen.	15c. per ton of 2,240 lbs

SCHEDULE D.

Articles the growth, product or manufacture of the United States to be admitted into Canada at the undermentioned special rates of duty when imported from the United States:—

Articles	Rates of Duties
Cement, Portland, and hydraulic or water lime in barrels, bags, or casks, the weight of package to be included in the weight for duty.	11c. per 100 lbs.
Trees, viz.:—Apple, cherry, peach, pear, plum and quince, of all kinds, and small peach trees known as June buds.	2 $\frac{1}{2}$ cents each.
Condensed milk, the weight of the package to be included in the weight for duty.	2 cents per pound.
Biscuits without added sweetening.	20 per cent ad valorem
Fruit in air-tight cans or other air-tight packages, the weight of the cans of other packages to be included in the weight for duty.	2 cents per pound.
Peanuts, shelled.	One cent per pound.
Peanuts, unshelled.	A half cent per pound.
Coal, bituminous, round and run of mine, including bituminous coal such as will not pass through a three-quarter-inch screen.	45 cents per ton.

1911—Continued

ORGANIZED OPPOSITION DEVELOPS.

Within a few days after the introduction of the reciprocity agreement in Parliament, it became evident that powerful influences were at work to adversely affect public opinion. In the House of Commons, Conservative members who were at first favorable to the bargain became critical and then hostile. A few supporters of the Government announced their opposition to the Agreement. Outside Parliament an organized campaign developed and proofs multiplied that on both sides of the international boundary extensive preparations had been made to mislead and poison public opinion. Deliberate obstruction was practised by the Conservative opposition in Parliament and an adjournment of the House from the middle of May until the middle of July to enable Sir Wilfrid Laurier to attend the King's Coronation at London afforded the opponents of the Government the opportunity they desired to perfect their plans for the defeat of Reciprocity and the overthrow of the Liberal administration that proposed to bring it into effect.

GENERAL ELECTION PRECIPITATED.

Upon Sir Wilfrid Laurier's return to Ottawa, Parliament reassembled and the obstructive tactics of the Conservative opposition were resumed. Either of two courses was open to the Prime Minister. He could alter the rules of the House, introduce Closure and thus force the Agreement through Parliament, or he could dissolve Parliament and submit his policy to the people. Sir Wilfrid disliked closure and decided upon a general election. Parliament was dissolved on July 29th and the date of the Election was fixed for September 21st.

CHARACTER OF THE CAMPAIGN.

The opponents of Reciprocity argued that the Agreement with the United States was in fact a Treaty that would bind Canada for an indefinite length of time and make its fiscal policy subject to that of the neighboring Republic. On this argument was based the familiar Tory slogan of "No truck or trade with the Yankees." Dealing with the argument in question, Sir Wilfrid Laurier, speaking at Simcoe, Ontario, on August 15th, 1911, said:—

AN AGREEMENT—NOT A TREATY.

"This is not a treaty, mind you. This is an agreement which could be repealed to-morrow, which can last as many years as we want it to, and as many years as they want it to, which can last for one year, five, ten, fifteen or twenty years, or it can be ended next week. In order to make this plain let me quote to you from the text of the

1911—Continued

"law upon this point. I quote from the letter which Mr. Fielding addressed to Mr. Knox in reference to this agreement, as follows:—

"January 21st, 1911. It is agreed that the desired tariff changes shall not take the formal shape of a treaty, but that the Government of the two countries will use their utmost efforts to bring about such changes by concurrent legislation at Washington and Ottawa. The Government of the two countries having made this agreement from the conviction that if confirmed by necessary legislative authorities it will benefit the people on both sides of the border line, we may reasonably hope and expect that the arrangement if so confirmed will remain in operation for a considerable period. Only this expectation on the part of both Governments would justify the time and labor that have been employed in the making of the proposed measure. Nevertheless, it is distinctly understood that we do not attempt to bind for the future the action of the United States Congress or the Parliament of Canada, but that each of these authorities shall be absolutely free to make any change of tariff policy or of any other matter covered by the present arrangement that may be deemed expedient
(Signed). W. S. Fielding."

"Now let me read you the letter from the United States Secretary of State, Hon. P. C. Knox, addressed to Mr. Fielding, in reply to the letter I have just read:—

"Gentlemen:—I take great pleasure in replying to your statement of the proposed arrangement. It is entirely in accord with my own understanding of it.
(Signed). P. C. Knox."

"Thus, gentlemen, you will see that our policy is forward and that at the same time it leaves our Government absolutely free while there is nothing in the conditions we have agreed to that fetters us in regard to our standing with the Mother Country."

LIBERAL GOVERNMENT DEFEATED.

While the Government was prepared to defend its trade policy, it was not prepared to meet the kind of campaign that was waged against it. The loyalty cry, the race and religious bogey, the Eucharistic Congress, the Ne Temere Decree, the Naval issue, all did duty, and Conservatives and Quebec Nationalists united behind the lead of the Big Interests to wage a war upon the Liberal Administration. These tactics were successful and the Government was defeated. Sir Wilfrid Laurier and his colleagues resigned on October 8th, 1911, and were succeeded by Hon. R. L. Borden and a group of Conservative and Nationalist ministers.

1911—Continued

BORDEN PROMISES A PERMANENT TARIFF COMMISSION.

The new Parliament assembled for its first session on November 15th, 1911. In answer to D. B. Neely, the Liberal member for Humboldt, Saskatchewan, the Prime Minister, Hon. R. L. Borden, stated in the House of Commons on November 29th, 1911, that the Government would appoint a permanent Tariff Commission. Question and answer will be found on page 530 of Hansard for 1911-12. A permanent tariff commission has not been appointed nor is there any present intention of appointing such a commission.

A BRIEF RETROSPECT.

At this point it will not be out of place to direct attention to the Tariff Policy to which the Liberals were committed when they took office in 1896 and to the manner in which they adhered to that policy from 1896 down to the time of their defeat in 1911.

The Liberal platform of 1893 declared that "the tariff should be reduced to the needs of honest, economical and efficient government." That declaration was kept steadily in view by the Liberals when in power as the numerous tariff reductions cited in the preceding pages amply demonstrate.

A further plank in the Liberal platform of 1893 declared that the tariff

"should be so arranged as to promote free trade with the whole world, more particularly with Great Britain and the United States."

The proofs of how well this pledge was adhered to are furnished by the general readjustments of the tariff in 1897, 1904 and 1907, the British Preference, the denunciation of the Belgian and German treaties which stood in the way of trade negotiations with Great Britain, the Japanese treaty, the French Treaty, the Trade Arrangements with Germany, Belgium, The Netherlands and Italy and the Reciprocity Agreement with the United States. Because it was true to its pledges the Liberal Party went down to defeat in 1911. That is a record of which any party might well be proud.

1912 and 1913.

LIBERALS IN OPPOSITION AGAIN.

During these two years little was heard of the Tariff. The Liberals were in Opposition again and without the power to give effect to any item in their programme of Tariff Reform. The Borden Government relied for support on discordant elements whom it was kept busy trying to placate and thus had no time to devote to the problem of reducing taxation. In an attempt to influence elections in the Western Provinces, the Government tinkered with some items in the Tariff, but nobody was deceived. Then it made an attempt to satisfy its Jingo and Nationalist supporters by a spectacular naval proposal, which occupied the attention of Parliament for many months until the Bill was sent back to the House of Commons by the Senate so that the question might be submitted to the people in the same way as Reciprocity had been submitted. But the Borden Government would not face the electors and it abandoned its proposed naval gift.

1914.

WOULD RELIEVE BUSINESS DEPRESSION.

Although in Opposition, the Liberals resumed the battle for tariff reform. In the House of Commons on January 19th, 1914, during the discussion of the motion for the presentation of an Address in reply to the speech from the Throne, Sir Wilfrid Laurier moved that the following words be added to the Address—

“We regret to have to represent to Your Royal Highness that in the gracious Speech with which you have met Parliament, whilst it is admitted that business is in a depressed condition, yet there is no indication of any intention on the part of your advisers to take any steps towards relieving such a situation.”

After debate this motion was voted upon and defeated by the supporters of the Borden administration.

WOULD REMOVE DUTY ON WHEAT AND WHEAT PRODUCTS.

A further effort was made by the Liberals to relieve the business depression that existed at this time. On January 28th, 1914, during the continued discussion of the motion for the presentation of an Address in reply to the Speech from the Throne, Mr. D. B. Neely, the Liberal member for Humboldt, moved the following amendment:—

“The House regrets that, in the gracious speech with which Your Royal Highness has met Parliament, the said speech gives no indication of any intention on the part of your advisers to take any steps to secure free access to the markets of the United States for the wheat and wheat products of Canada, by removing the duty on wheat and wheat products coming into Canada from the United States.”

The Liberals in Parliament supported this amendment, but the Conservative majority defeated it by a united vote.

TORIES TAMPER WITH FREE LIST.

The activities of the Liberals during the Session of 1914 covered a wide range. In the House of Commons on February 10th, 1914, on the motion of Hon. Geo. E. Foster for Committee of Supply, Honourable H. R. Emerson, moved, seconded by Mr. J. J. Hughes of King's P.E.I.:—

“That under article 372 of the Customs Tariff of Canada, 1907, blast furnace slag is on the free list, but that the Board of Customs, at a meeting held on the 9th day of September, A.D. 1913, improperly and illegally declared the same to be dutiable under tariff item 663 and in effect from the 9th of November, 1913, without such declaration being, as appears, approved by the Minister of Customs as

1914—Continued

“required by statute and that the Department of Customs
“in now subjecting the same to duty is violating the statute
“to the great injustice and loss of the farming community.”

The Mover and the Seconder of this motion were supported
by other Liberal members of Parliament, but the Conservatives
united in opposition to the motion and defeated it.

LIBERALS WOULD PUT AGRICULTURAL IMPLEMENTS ON FREE LIST.

Within a month the Liberals made another effort to have
the Government reduce the tariff. Honourable George E. Foster
having moved in the House of Commons on March 11th, 1914,
for Committee of Supply, Mr. W. E. Knowles (Moose Jaw)
moved an amendment to the motion in the following terms:

“That all the words after the word ‘that’ be struck out
“and the following substituted therefor:

“In the opinion of this House the time has arrived when,
“in the interests of the farmers, and consequently in the
“interests of the whole of Canada, the duties on agricultural
“implements should be forthwith removed.”

Mr. Knowles and his fellow Liberals presented an unan-
swerable case in support of the amendment. It was, however,
defeated by a solid Conservative vote.

WOULD ALLEViate THE HIGH COST OF LIVING.

Business conditions continuing to be unfavorable, the
Liberal leader again pressed the Government to adopt measures
of relief. In the House of Commons on April 23rd, 1914, Sir
Wilfrid Laurier moved in amendment to the motion of Honourable
W. T. White for the House to go into Committee of Ways and
Means the following resolution:—

“That this House is of opinion that in view of the
“prevailing economic conditions of the country it is advisable
“to place wheat, wheat products, and agricultural implements
“on the free list; and that without doing injustice to any
“class, steps should be taken to alleviate the high cost of
“living by considerate removal of taxation.”

This amendment and Sir Wilfrid’s convincing speech in
support of it, gave rise to a spirited debate. The Liberals stood
firmly by their Leader but the usual Conservative majority was
rallied against the amendment and it was defeated.

FREE POTATOES.

On April 28th, 1914, while the House was in Committee of
Ways and Means, considering certain sections of the Customs
Tariff, Mr. W. S. Loggie moved, seconded by Mr. J. J. Hughes,
of King’s P.E.I., the following amendment:—

1914—Continued

"That resolution 3, schedule 'A' be amended by adding after 79a, the following:

"That tariff item No. 83 be amended by adding thereto the following words: Provided, however, that potatoes, dry, dessicated or otherwise prepared, being the growth and production of the United States shall be admitted free of duty when, and as soon as, the United States removes the embargo regulations now existing against like articles, the growth and production of Canada."

The two Liberals who moved and seconded this amendment explained the importance of the potato industry to the Maritime Provinces in particular and the general relief that would be afforded by placing potatoes on the free list. But the Government called on their supporters to defeat the amendment and it was promptly voted down.

1915.

TORIES IMPOSE DUTIES OF 5% ON BRITISH GOODS AND 7½% ON ALL OTHER IMPORTED GOODS.

On February 11th, 1915, Honourable W. T. White moved in the House of Commons a resolution whereby it was proposed to amend The Customs Tariff, 1907, and to add to the duties of customs otherwise established the following several rates of duties, namely:—

British Preferential Tariff.....	5 p.c.
Intermediate Tariff.....	7½ p.c.
General Tariff.....	7½ p.c.

Speaking in the House of Commons on March 10th, 1915, in opposition to these proposed increases, Sir Wilfrid Laurier dealt with Honourable Mr. White's resolution under three heads, namely:—(1) Special taxes; (2) A general increase in the Customs Tariff; and, (3) An increase on British goods, and in concluding his speech he moved in amendment the following resolution:—

"That Mr. Speaker do not now leave the Chair, but
"that it be resolved: This House is ready to provide for the
"exigencies of the present situation and to vote all necessary
"ways and means to that end, but it regrets that in the
"measure under consideration duties are imposed which
"must be oppressive upon the people whilst yielding little
"or no revenue, and that said measure is particularly ob-
"jectionable in the fact that instead of favouring, it is placing
"extra barriers against Great Britain's trade with Canada,
"at a moment when the Mother Country is under a war
"strain unparalleled in history."

In support of his amendment, Sir Wilfrid presented to the House an array of facts which left the Government without an argument to justify their increased duties. But the Government majority condoned the discrimination against British goods as well as the other increases and voted down the amendment.

1916.

WOULD ADD WHEAT, WHEAT PRODUCTS AND POTATOES TO FREE LIST.

The Liberals again took up the fight for tariff reform at the beginning of the Session of 1916. In the House of Commons on February 14th, 1916, Mr. J. G. Turriff, Liberal member for Assiniboia, moved the following resolution respecting wheat, wheat products, and potatoes:—

“That, in the opinion of this House, in order to secure to the farmers and people of Canada the advantages of the American market for wheat, wheat products and potatoes, steps should be taken at once to put these articles on the free list in the Canadian Tariff.”

In the debate that ensued a good deal of familiar ground was covered owing to similar discussions in previous sessions. Although the Government was almost on the eve of capitulating it induced its supporters to vote against the amendment which was thus defeated

1917.

TORIES, BY ORDER-IN-COUNCIL, PLACE WHEAT, WHEAT FLOUR AND SEMOLINA ON THE FREE LIST

Reversing the position they had repeatedly taken in Parliament, the Borden Government passed an Order-in-Council placing wheat, wheat flour and semolina on the Free List.

The Liberals, who for years had been advocating free wheat, free wheat products, free agricultural implements, etc., etc., took the first opportunity of congratulating the Government on its action and requested, by resolution in the House, that the Government would introduce an Act making its temporary Order-in-Council a permanent measure. On April 24th, 1917, Mr. J. G. Turriff, Liberal Member for Assiniboia, moved in the House the following resolution:—

“That all the words after the word ‘That’ be struck out and the following substituted therefor:

“This House desires to take the earliest opportunity of expressing its pleasure that the Government has at last yielded to the persistent demands of the Grain Growers of the West as frequently set forth by delegations and resolutions of the representatives of the farming interest, and repeatedly voiced by the Liberal party in this House, by placing wheat, wheat flour and semolina on the free list and thereby securing a free market for wheat and wheat products in the United States.

“This House is of the opinion that if the policy of Free Wheat is made permanent it will enormously increase the prosperity of the West and be to the general advantage of the whole Dominion.

“In order that the country may be assured of such permanency and that the action of the Administration is not a mere temporary expedient which may be revoked at any time by the Government without reference to Parliament, this House would urge upon the Government the desirability of submitting early in the present session, a measure to place by statute wheat, wheat flour, and semolina on the free list, and thereby encourage the farmers to engage in the largest wheat production possible.”

Again the Borden Government stultified itself by opposing this resolution and defeating it with the votes of its Parliamentary supporters.

WOULD PLACE BRAN, SHORTS AND MIDDLING ON THE FREE LIST.

Following close upon the defeat of the Western Liberal resolution moved by Mr. Turriff, an Eastern Liberal submitted another resolution to Parliament asking that bran, shorts, and middlings be placed on the free list.

1917—Continued

In the House of Commons, on Tuesday, May 1st, 1917, Mr. J. A. Robb, Liberal Member for Huntingdon, Quebec, gave notice that he would move the following resolution, which he did on May 31st:—

“To ensure a plentiful supply of bran, shorts, and middlings for the farmers to produce milk, cream, butter and cheese, and for the raising and fattening of live stock, this House is of the opinion that wheat, bran, shorts and middlings should, without delay, be placed on the free list.”

The Liberal Party supported this resolution, but it was defeated by a straight Conservative vote.

LIBERAL TARIFF DEMANDS SUMMARIZED.

In the House of Commons on May 23rd, 1917, Honourable Frank Oliver moved and Mr. F. B. Carvell seconded, the following amendment to the Motion of Sir Thomas White for the second reading of the resolutions reported from the Committee of Ways and Means:—

“That all the words after the word ‘that’ be struck out and the following substituted therefor:

“In the opinion of this House it would be in the public interest if the Customs Tariff Act were so amended as to provide:

“1. That wheat, wheat flour and all other products of wheat be placed upon the free list.

“2. That farm implements and machinery, farm tractors mining, flour and saw-mill machinery, and repairs for same, rough and partly dressed lumber, illuminating, lubricating and fuel oils, cement and fertilizers be added to the free list.

“3. That staple foods and food products (other than wheat flour) domestic animals and foods therefor, be admitted into Canada free of duty when coming from and being the product of, any country admitting like Canadian articles into such country free of duty.

“4. That substantial reductions be made in the general tariff on all articles imported into Canada, excepting luxuries.

“5. That the British Preference be increased to fifty per cent of the general tariff.”

A prolonged debate took place on this amendment which was supported by Eastern Liberals as well as by Western Liberals. When the vote was taken the division was on party lines and the Conservatives mustered their usual Parliamentary majority and defeated the amendment.

1917—Continued

UNION GOVERNMENT AND THE ELECTION.

In the Fall of 1917 a new Government under the leadership of Sir Robert Borden was formed. In his cabinet there was a majority of Conservatives and some Liberals who had differed with Sir Wilfrid Laurier on the Conscription issue. The new administration was called the Union Government. A general election took place on December 17th, 1917, and the Unionists secured a large majority.

LIBERAL TARIFF POLICY ENUNCIATED IN SIR WILFRID'S MANIFESTO.

The election manifesto issued by Sir Wilfrid Laurier, as the Leader of the Liberal Party, contained a notable paragraph on Tariff Reform. It was in the following terms:

“In further mitigation of disadvantages to agricultural production, I would immediately remove the duties on ‘Agricultural Implements and other essentials, as demanded by the Western farmers. A general well-considered reform of the Tariff for the purpose of helping Canadian production and relieving the Canadian consumer would also be an object of my administration.

1918.

NO TARIFF LEGISLATION.

Parliament was summoned to meet on March 18th of this year. The Session was a short one of two months duration and matters connected with the war chiefly occupied the attention of Parliament. There was no tariff legislation introduced by the Government and the Liberals refrained from submitting any tariff resolutions in order not to embarrass the new administration in their conduct of Canada's part in the war.

THE ARMISTICE.

Marshal Foch and his Allied forces brought the enemy to terms on November 11th, 1918, and with the cessation of hostilities there was a renewal of public discussion of the Tariff and of other important issues.

SIR WILFRID ANNOUNCES NATIONAL LIBERAL CONVENTION.

In the latter part of November, Sir Wilfrid attended the Convention of the Western Ontario Liberal Association at London, Ontario, and addressing the delegates there assembled he announced that a National Liberal Convention would be held at Ottawa during the following year:

1919.

SIR WILFRID'S LAST WORK.

Foreseeing the struggle ahead, Sir Wilfrid devoted the last months of his life to the re-organization of the Liberal Party and to the work of preparing a programme of Tariff Reform not only in harmony with the platform of 1893 and with the record of his administration of the country's affairs from 1896 to 1911, but also in harmony with the subsequent course of the Party in Parliament and with the pledges contained in his election manifesto of 1917.

HIS LAST SPEECH WAS FOR TARIFF REFORM.

The resolutions presented at the Convention of The Eastern Ontario Liberal Association held at Ottawa on January 14th, 1919, were first personally revised by Sir Wilfrid and afterwards publicly endorsed by him in the last speech of his long and unequalled career. In view of the importance of the Tariff Resolution thus endorsed by Sir Wilfrid it is here reproduced in full as follows:—

WHEREAS the Liberal Party of Canada, at a National Convention in 1893, unanimously adopted a policy of Tariff Reform in the following terms:—

“We, the Liberal Party of Canada, in Convention assembled, declare:—

“That the customs tariff of the Dominion should be based, not as it is now, upon the protective principle, but upon the requirements of the public service;

“That the existing tariff, founded upon an unsound principle, and used, as it has been by the Government, as a corrupting agency, wherewith to keep themselves in office, has developed monopolies, trusts and combinations;

“It has decreased the value of farm and other landed property;

“It has oppressed the masses to the enrichment of a few;

“It has checked immigration;

“It has caused great loss of population;

“It has impeded commerce;

“It has discriminated against Great Britain;

“In these and in many other ways it has occasioned great public and private injury, all of which evils must continue to grow in intensity as long as the present tariff system remains in force.

“That the highest interests of Canada demand a removal of this obstacle to our country's progress, by the adoption of a sound fiscal policy, which, while not doing injustice to any class, will promote domestic and foreign trade, and hasten the return of prosperity to our people;

1919—Continued

"That to that end, the tariff should be reduced to the needs of honest, economical, and efficient government.

"That it should be so adjusted as to make free, or to bear as lightly as possible upon, the necessities of life, and should be so arranged as to promote freer trade with the whole world, more particularly with Great Britain and the United States.

"We believe that the results of the protective system have grievously disappointed thousands of persons who honestly supported it, and that the country, in the light of experience, is now prepared to declare for a sound fiscal policy.

"The issue between the two political parties on this question is now clearly defined.

"The Government themselves admit the failure of their fiscal policy and now profess their willingness to make some changes, but they say that such changes must be based only on the principle of protection."

"We denounce the principle of protection as radically unsound, and unjust to the masses of the people, and we declare our conviction that any tariff changes, based on that principle, must fail to afford any substantial relief from the burdens under which the country labors.

"This issue we unhesitatingly accept and upon it we await, with the fullest confidence, the verdict of the electors of Canada."

AND WHEREAS, after its accession to power in 1896, the Liberal Party made the following reductions in the Tariff, viz.:

In 1897 there were 47 articles added to the free list and duties were reduced on 147—including farm implements;

In 1904 there were 14 more articles added to the free list and duties were reduced on 14 others;

In 1907 the duty on harvesters, mowers, reapers, and self-binders and binding attachments was reduced from 20 p.c. to 17½ p.c.

To Great Britain there was given a preference by way of deduction from the general tariff amounting to 33½ p.c.

And with the United States an agreement was effected in 1910 whereby the minimum tariff under the Payne-Aldrich Bill was applied to Canada while the maximum tariff under the same Bill was applied to other countries by the United States.

AND WHEREAS, in 1911 the Liberal Government of the day negotiated a Reciprocal Tariff Agreement with the Government of the United States, under which, when effective, certain natural products were to be admitted free into both countries, and the duties on a limited number of other articles were to be reduced.

AND WHEREAS, on submitting its policy to the people, the Liberal Government was defeated and was replaced by a

1919—Continued

Conservative-Nationalist administration under Sir Robert Borden; AND WHEREAS after the Borden Administration attained office, the duties were increased on certain specified articles, and a further general increase of $7\frac{1}{2}$ per cent was placed in the Tariff on all commodities coming into Canada from outside Great Britain and an increase of 5 per cent was placed on the goods coming in from Great Britain:

AND WHEREAS, besides opposing the said Tariff increases of $7\frac{1}{2}$ per cent and 5 per cent respectively, the Liberal Opposition on different occasions since 1911 and more particularly on January 28th, 1914, on February 10th, 1914, on March 11th, 1914, on April 23rd, 1914, on April 28th, 1914, on March 16th, 1915, and on February 23rd, 1916, moved in the House of Commons for reductions in the Tariff on specified articles, and on each of the occasions mentioned their motions were defeated by the majority supporting Sir Robert Borden:—

AND WHEREAS, on May 23rd, 1917, the Liberal Opposition in the House of Commons moved an omnibus resolution embodying practically all the proposals for tariff reduction previously made by them in Parliament and defeated as in the next preceding paragraph mentioned:—

AND WHEREAS, the said omnibus resolution of May 23rd, 1917, was also opposed and defeated by the Borden administration:—

AND WHEREAS, the election manifesto issued in November 1917, by Sir Wilfrid Laurier as the Leader of the Liberal Party, contained a declaration as to Tariff Reform in these Words:—

“In further mitigation of disadvantages to Agricultural production, I would immediately remove the duties on Agricultural Implements and other essentials, as demanded by the Western farmers. A General well-considered reform of the Tariff for the purpose of helping Canadian production and relieving the Canadian consumer would also be an object of my administration.”

NOW THEREFORE be it resolved that in the opinion of this Association, not only should the said Tariff increases of $7\frac{1}{2}$ per cent and 5 per cent immediately be repealed, but that there should also be an immediate downward revision of the Tariff in accordance with the above mentioned omnibus resolution moved by the Liberal Opposition in the House of Commons on May 23rd, 1917, in these terms:—

- “1. That wheat, wheat flour and all other products of wheat be placed upon the free list.
- “2. That farm implements and machinery, farm tractors, mining, flour and saw-mill machinery and repairs for same, rough and partly dressed lumber, illuminating, lubricating and fuel oils, cement and fertilizers be added to the free list.

1919—Continued

“3. That staple foods and food products (other than wheat flour), domestic animals and foods therefor be admitted into Canada free of duty when coming from and being the product of any country admitting like Canadian articles into such country free of duty.

“4. That substantial reductions be made in the general Tariff on all articles imported into Canada, excepting luxuries.

“5. That the British Preference be increased to fifty per cent of the general tariff.”

WHAT SIR WILFRID SAID.

In the course of his speech on the occasion mentioned, Sir Wilfrid dealt with the trade question and the foregoing resolution and said:—

“The third question to which I desire to draw your attention this evening is one which is always with us—but which it seems to me in view of the result of the war, should be solved beyond all doubt. Sir, I told you at the commencement of my speech, that it was the commercial freedom of England which enabled her to pass triumphantly through this war from an economic point of view. England, needless to say, has always been in the van of the greatest advances with respect to freedom of any kind, whether it be religious freedom, civil freedom, or political freedom, there are no people in the world to-day who have a greater degree of these liberties than have the English people, or the Canadian people. In the matter of commercial freedom, England has not only been well to the front, but has been very much in advance of any other people. England has proclaimed the doctrine that trade admitted of no restrictions, and that freedom in trade as well as in everything else, was the goal to which every civilized nation should aspire. But, Sir, men there are in England to-day who are contemplating the possibility of putting a bar upon the freedom of the English people in matters of trade. Whatever takes place in Great Britain we shall follow with a great deal of interest. It is a question for the British people to determine, and if they determine one way, we shall respect their opinion, even though it would not agree with ours, and if they determine the other way, we shall respect them all the more.

“In this country, Sir, Liberals have always been the disciples of the British people on the question of Commercial freedom. Indeed, many years ago—when you recall that time to-day in the resolution which was passed upon this subject at the Convention of 1893, we declared against the principle of protection, and when we had the opportunity

1919—Continued

"we lived up to our declaration. Sir, it has always been
"made a cause of reproach to us that when in office we did
"not adopt but were recreant to our declarations. Such a
"reproach cannot reach us. We were not recreant, we pro-
"ceeded step by step towards the goal, always keeping it in
"view, never imposing a duty for protection's sake only, but
"always acting upon the principle or the basis of a tariff for
"revenue and revenue only. This was our policy in the past,
"it is our policy today and we have taken this occasion to re-
"affirm it. Sir, as I have already told you, the reproach is
"made to us that we were recreant to our declarations, to
"our policy. This reproach is well rebuked already by the
"declaration which you have passed this afternoon,
"reciting what we have done, reciting the many articles
"which we placed upon the free list, and reciting the many
"articles upon which we made a reduction of duty. But there
"are two features especially of our policy which will stand at
"all events, one will stand forever, and the other will soon
"be restored, I believe. The first policy which we affirmed
"upon succeeding to office was the policy of a British Pre-
"ference. The first year we were in office, in 1897, we gave
"to British goods imported into this country a preference
"over all other goods of $12\frac{1}{2}$ per cent. That policy we passed
"in spite of the objection of the Conservative party of that
"time, led by Sir Charles Tupper, and Sir George Foster and
"finally put on the Statute Book. It is there yet, and they
"dare not take it away. Having thus in 1897 adopted the
"principle and granted a preference to British goods of $12\frac{1}{2}$
"per cent, the year afterwards we increased that preference
"to 25 per cent and two years afterwards to $33\frac{1}{2}$ per cent.
"This is our record and, as I said a moment ago, it was done
"in spite of all the opposition of the Conservative party.
"And upon what ground was their objection based? Simply
"upon the ground that we should have exacted preference
"for preference, that if we gave preference to the goods of
"Great Britain, that country should give us a preference for
"our goods. That was not our policy. We said 'No, we are
"not going to bargain with the mother country upon matters
"of that kind. We do it because we are British subjects,
"and because we believe in the principles of Free Trade.
"We believe also that it is for the good of the Canadian
"people that we should adopt that policy, and by that policy
"we stand to-day also. In your resolution you affirm that
"the black eye which was given by the present Government
"three years ago should be removed, and, Sir, if it is in our
"power to do so we shall do so; AT ALL EVENTS, WE
"SHALL TAKE THE OPPORTUNITY TO BRING
"THE MATTER BEFORE PARLIAMENT AT THE
"NEXT SESSION.

1919—Continued

RECIPROCITY.

"Sir, there was another feature of our policy, another attempt that we made at freer Trade—this time not with Great Britain, but with our neighbours, the American people. You remember well that in the olden times of Sir John A. Macdonald and Sir Charles Tupper, one of the cardinal principles of the Conservative party was to have reciprocity with the United States, and the former, when he introduced the National Policy in 1878 declared that since we could not obtain from our neighbours reciprocity in trade, we would have reciprocity in tariff, in the hope of at last bringing in reciprocity in trade. When we came into office, we went to Washington and made another offer; but I am sorry to say our offer was not accepted. In 1910, the Government of President Taft came to us with an offer of reciprocity. Of course we accepted the offer, and let me say here that if ever there was a policy which would have been beneficial to the Canadian people, it was the agreement which was made between Mr. Fielding and the Government of Mr. Taft. However, that policy was defeated. It was met with the cry of 'No truck or trade with the Yankees,' which was stupidity itself. And I am sorry to say they carried the country with it. But, Sir, revenge is sweet at all times, sweet even to me who profess to be a good Christian. Revenge is sweet, and do you know why? My revenge is in the attitude of the Conservative Party who have proclaimed no truck or trade with the Yankees, and yet had to go to Washington, reluctantly, I admit, very reluctantly, but under the threat of the western farmers, who were asking for free wheat with the Americans, they had to go—the consequence is that to-day we have free wheat. But that is not all. They had to make another advance to the Americans, not for the farmers of the West this time, but for the farmers of the East. The growers of potatoes in Prince Edward Island and in New Brunswick made demands, and so those in power had to adopt the American offer of free potatoes; and so to-day the potatoes raised by eastern growers are free in the American market. There was still another step, and this one was taken, not by adopting the Washington legislation, but simply by action at Ottawa. They gave free tractors to the farmers of the West, this action being taken by Order-in-Council. I have no objections to such Orders-in-Council, I would almost forgive them the others if they would pass more of this kind.

"Now, what do these piece-meal advances in reciprocity mean? They are simply an admission that these people were acting stupidly—to put it no stronger than that—

1919—Continued

"when they refused the offer made by the Americans of "extended free trade with them. If there ever was anything "stupid in the world, surely it was the action of the Con- "servatives in 1911 in declaring that we Canadians, num- "bering less than eight millions of people should refuse to "trade with the wealthiest nation on earth to-day, the Ameri- "can people. Do you wonder that I say, revenge is sweet, "when, in the House of Commons, the Minister of Finance "and the Minister of Trade and Commerce rise in their "places and say: Yes, we gave free wheat to the farmers, "we gave free potatoes to the farmers. Of course, they have "the satisfaction of having won office upon the stupid anti- "reciprocity cry, but better lose ten times over than triumph "by such methods as that. For we know that if there is one "thing which more than any other is conducive to good "relations between nation and nation it is trade. And, "though our commercial relations with our neighbours have "not been as free or as friendly as I would like to have them, "and though we lost a great opportunity in 1911 to make "them more friendly than they were, still, thank heaven, "we have the satisfaction of knowing that for over a hundred "years we have had no war with our American neighbours. "That is a great triumph."

LIBERALS CONTINUE SIR WILFRID'S WORK.

It will be observed that in his speech just quoted, Sir Wilfrid pledged himself and the Liberal Party to bring the question of Tariff Reform before Parliament at the Session which was then in sight. Unfortunately, he was not spared to carry out his promise. He was stricken with a mortal illness on Saturday, the 15th of February, and died on Monday, the 17th.

Parliament met on Thursday, February 20th. The work of selecting a temporary leader and an Advisory Committee as well as the adjustment of a variety of matters made necessary by Sir Wilfrid's death, occupied the attention of the Parliamentary Liberal Party during the first weeks of the Session. With these details settled and out of the way the Liberals took up the question of Tariff Reform where Sir Wilfrid had left it.

MOTION FOR TARIFF REDUCTION.

On March 25th, 1919, Sir Thomas White moved that the House do go into Committee and thereupon Mr. A. R. McMaster, Liberal Member for Brome, Quebec, seconded by Mr. J. P. M. Loy, Liberal Member for Provencher, Manitoba, moved the following amendment:

"That all the words after the word 'that' be omitted
"and the following substituted therefor:—

1919—Continued

"Whereas in order to meet the great expenditure necessitated by our national obligation it is imperative that the labour and capital of this country should be directed to the obtaining of the greatest economic return, and that the energies of our people should be freed in order that the most be made of our natural resources and the strength and intelligence of our people be utilized to the fullest extent; and

"Whereas it is advisable in the public interest that taxation should be borne by those most capable of sustaining the burden, and that the proceeds of taxation should reach the national exchequer, and should not be diverted into the hands of the privileged classes of the community; and

"Whereas the reciprocal trade agreement negotiated with the Government of the United States in January, 1911, has been accepted by that Government, and legislation providing for its coming into force upon its acceptance by the Canadian Government has been passed by the said Government of the United States; and

"Whereas the said agreement, providing as it does for, the free interchange of the products of the farm, the sea, the mine and forest, and for the freer exchange of many articles of prime necessity and universal use offers to the producers and consumers of this country an opportunity which wisdom and patriotism demand should be availed of:

"Therefore be it resolved that it is the opinion of this House:—

"(a) That the increases of duties of $7\frac{1}{2}$ per cent and 5 per cent enacted by the statute 5 George V, Chapter 3, should be repealed:

"(b) That the offer of reciprocity contained in the reciprocal trade agreement now upon the statute books of the United States of America should be immediately accepted in its entirety, and that legislation for that purpose should be introduced forthwith;

"(c) That without derogation from the provisions of paragraph (b) hereof, all staple food and food products not now free (with the exception of luxuries), and domestic animals and foods therefor should be admitted into Canada free of duty when coming from and being the product of any country admitting like Canadian articles into such country free of duty;

"(d) That without derogation from the provisions of paragraph (b) hereof, all farm and garden implements, machinery and tools, including farm tractors; all mining, flour and sawmill machinery and repair parts therefor, as well as the raw material entering into the same; lumber,

1919—Continued

“illuminating, lubricating and fuel oils, cement and fertilizers be added to the free list—it being understood that the tariff benefit proposed to be conferred upon raw material entering into the manufacturing of the articles above set forth may be granted by way of rebate or drawback; it always being provided that in the event of any difference of duty existing under the provisions of different parts of this resolution, the lower duty or freedom from duty prevail.

“(e) That having regard always to the requirements of the public revenue and the necessity of affording reasonable opportunities for adjustment to the effect produced by the proposed changes, substantial reductions should be made in the tariff with the object of减轻 the burden upon the consumer in respect of the necessities of life, and with the object of relieving the consumer from the bondage now imposed upon him by the exactions of monopolies, trusts and combines.

All the Unionist members in Parliament voted against the amendment and it was defeated. Some of these members qualified their vote by explaining that, while in sympathy with the amendment, they regarded it as a vote of confidence motion and on that ground could not support it.

ANOTHER LIBERAL AMENDMENT.

On Thursday, June 5th, Sir Thomas White submitted his Budget proposals to Parliament and moved that the House go into Committee of Ways and Means to consider them. In amendment to this motion, Mr. A. R. McMaster, on Monday, June 9th, moved, and Mr. J. P. Molloy seconded, a resolution as follows:—

“That all the words after the word ‘that’ be left out, and the following inserted instead thereof:—

“The proposals of the Finance Minister are unsatisfactory. They offer no curb against extravagance. They utterly fail to take any adequate steps to relieve the present high cost of living. They give no definite promise of tariff revision downwards.

“That to relieve the present situation, the tariff should be so framed as to free the food of the people and the machinery used in the development of the natural resources of Canada, together with the raw material entering into the manufacture thereof;

“To take off or substantially reduce, as speedily as may be expedient and just to all interested, the duties upon all other necessities of life;

“Also, the reciprocal offer of trade with the United States should be accepted, and a general downward revi-

1919—Continued

“sion of the tariff undertaken forthwith in conformity with
“the principle herein enunciated.”

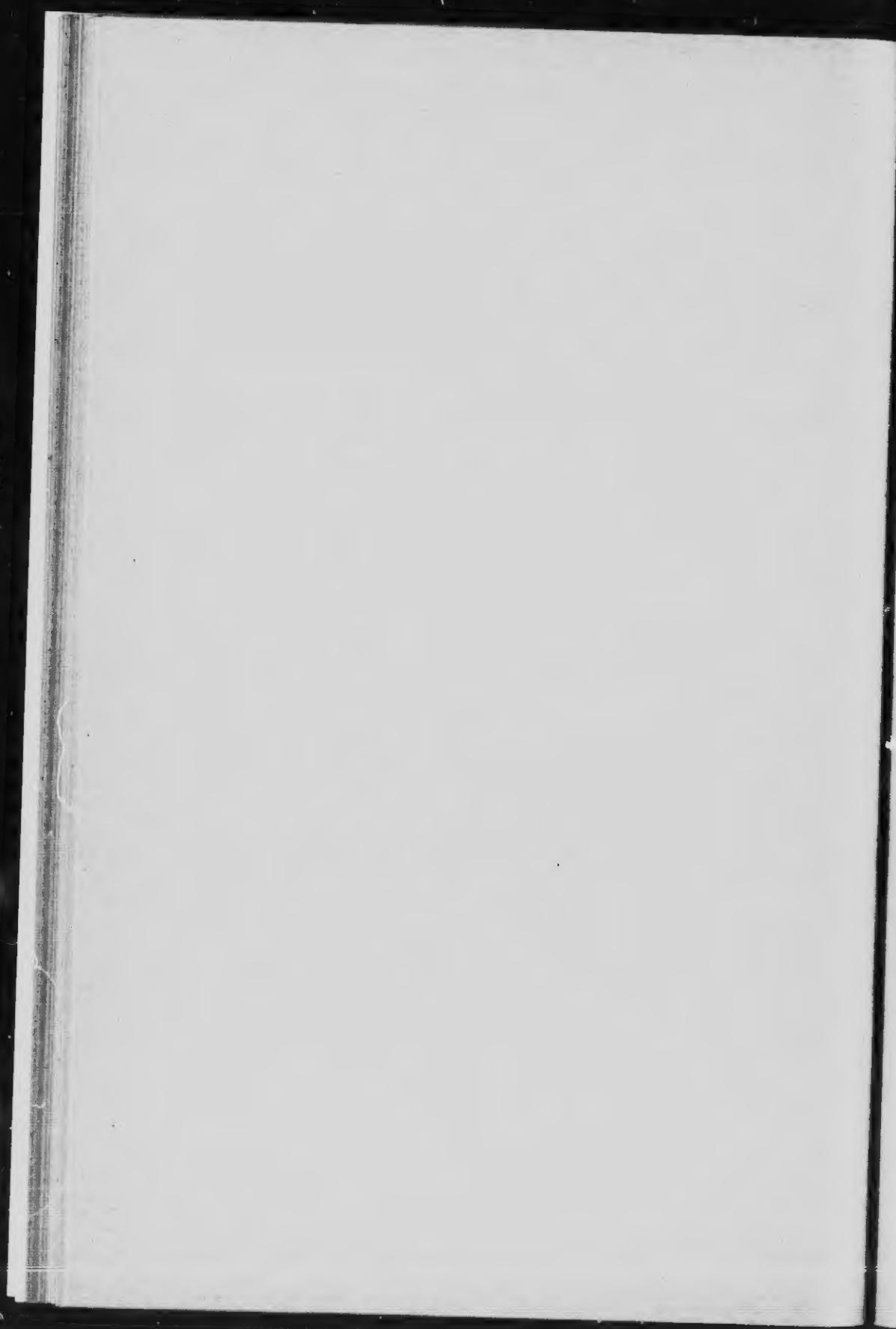
The foregoing amendment gave rise to a protracted debate. The vote was taken on the morning of Thursday, June 19th, when the amendment, although supported by the Liberals and 14 Liberal-Unionists, was defeated by a Government majority of 51.

In opposition, as in power, the Liberals have been consistent in their advocacy of the Tariff Policy adopted by the Party in 1893. Such enlargement of that policy as changed conditions may demand will be dealt with by the National Liberal Convention to be held at Ottawa on August 5th, 6th and 7th next.

THE NATIONAL LIBERAL CONVENTION COMMITTEE.

The foregoing is issued by the National Liberal Convention Committee. The Committee is composed of the following:—

D. D. McKenzie, M.P., North Sydney, Cape Breton, Nova Scotia, Chairman; Senator Hewitt Bostock, Ducks, B.C.; Senator W. C. Edwards, Ottawa; Senator N. A. Belcourt, Ottawa; W. H. White, M.P., Alberta; Dr. J. P. Molloy, M.P., Manitoba; Hon. Charles Murphy, M.P., Ottawa; D. C. Ross, M.P., Strathroy, Ont.; I. E. Pedlow, M.P., Renfrew, Ont.; Hon. R. Lemieux, M.P., Montreal, Que.; James A. Robb, M.P., Chateauguay-Huntington, Que.; E. B. Devlin, M.P., Wright Country, Que.; F. S. Cahill, M.P., Pontiac, Que.; Dr. J. E. Fontaine, M.P., Hull, Que.; Ernest Lapointe, M.P., Kamouraska, Que.; L. J. Papineau M.P., Beauharnois, Que.; Hon. John Oliver, Premier of British Columbia; Hon. Chas. Stewart, Premier of Alberta; Hon. W. M. Martin, Premier of Saskatchewan; Hon. T. C. Norris, Premier of Manitoba; Hon. Sir Lomer Gouin, Premier of Quebec; Hon. W. E. Foster, Premier of New Brunswick; Hon. Geo. H. Murray, Premier of Nova Scotia; Mr. H. H. Dewart, K.C., M. L. A., leader of the Liberal Opposition in Ontario; Mr. J. H. Bell, leader of the Liberal Opposition in Prince Edward Island; and William Proudfoot, K.C., M.P.P., Toronto, Ont.



INDEX

YEAR	PAGE
1893—Would Reduce Taxation.	5
National Liberal Convention—The First Resolution—Tariff Reform.	5
The Second Resolution—Reciprocity	6
Advocates of Tariff Reform	7
1894—Parliament Put to the Test	8
1895—Tariff for Revenue Only	9
1896—Liberals in Power	10
Appoint Tariff Committee	10
1897—Tariff Reform in Force	11
Articles Placed on Free List	11
Articles on which Duties Reduced	13
Tory Objection to Lowering Duty on Coal Oil	19
The British Preference	19
Conservative Bounties on Iron and Steel	19
Act Repealed—Liberal Legislation	19
1898—The Joint High Commission	21
Denunciation of the Belgian and German Treaties	21
Increase in British Preference	21
Put on Free List	22
1899—Result of Tariff Reductions	23
Importance of British Preference	24
Tory Opposition to British Preference	24
The Free List Grows	25
1900—Bounties on Steel and Iron Reduced	25
Another Item on Free List	26
Canadian Securities Admitted to British Trustee List	26
British Preference Increased to 33½ per cent.	27
Tory Opposition to British Preference put on Record	27
1901—Tariff Announcement in Budget Speech	28
Further Additions to Free List	28
1902—Duty on Print Paper Reduced	30
Added to Free List	30
1903—Free List Again Extended	31
The German Surtax	31
Duty on Steel Rails	31
Bounty on Binder Twine	31
Bounty on Lead	31
Bounties on Steel and Iron	32
Reciprocity and The Joint High Commission	32
1904—Tariff Revision Downwards	32
Enlarging the Free List	34
Duties Reduced	34
Bounty on Crude Oil	34
A Difficult Situation Skillfully Handled	35
Duties Increased on Certain Woollens and on Twine and Cordage	36
Anti-Dumping Law	36
Law Against Tobacco Combines	36
1905—Several Tariff Changes	36
1906—Change in Fiscal Year	37
Exemptions Continued	38
A Tariff Change	38
Revised Tariff Promised	38
1907—The New Tariff	38
Changes Made	39
Some of the Reductions	39
The Free List—253 Items out of Total of 711	39
Treaty with Japan—The Japanese Treaty Act, 1906	40

YEAR	INDEX—Continued	PAGE
1908	No Customs Tariff Changes	41
	Bounties on Lead	41
	Bounties on Petroleum	41
	The French Treaty	41
1909	Further Enlarging the Free List	42
	Reducing Duties	42
	Changes in Sugar Duties	42
	Trade with the West Indies	42
	Commission Appointed	42
1910	Budget Announcements	43
	Bounties on Wire Rods Terminated	43
	Bounties on Lead and Zinc	43
	German Surtax Suspended—Trade Arrangement with Germany	43
	Trade Arrangement with Belgium	43
	Trade with The Netherlands	44
	Trade Arrangement with Italy	44
	Trade Arrangement with the United States	44
	Farmers Demand Reciprocity	45
1911	The Reciprocity Agreement	46
	Protest from Canadian Manufacturers' Association	46
	Parliament Applauds the Bargain	46
	The Schedules in the Bargain	46
	Schedule A—Articles Free of Duty	47
	Schedule B—Articles on which Rates of Duty to be Identical	49
	Schedule C—Rates of Duty on Articles Exported to United States	52
	Schedule D—Rates of Duty on Articles Imported from United States	53
	Organized Opposition Develops	54
	General Election Precipitated	54
	Character of the Campaign—Sir Wilfrid's Simcoe Speech—An Agreement, Not a Treaty	54
	Liberal Government Defeated	55
	Borden Promises Permanent Tariff Commission	56
	A Brief Retrospect	56
1912 and 1913	Liberals in Opposition Again—No Tariff Legislation	57
1914	Liberals Move to Relieve Business Depression	58
	Would Remove Duty on Wheat and Wheat Products	58
	Tories Tamper with Free List	58
	Liberals Would Put Agricultural Implements on Free List	59
	Would Alleviate the High Cost of Living	59
	Free Potatoes	59
1915	Tories Impose Duties of 5 per cent on British Goods and 7½ per cent on all other Imported Goods—Liberals Oppose	61
1916	Liberals Would Add Wheat, Wheat Products and Potatoes to Free List, but Tories Oppose	62
1917	Tories, by Order-in-Council, Place Wheat, Wheat Flour and Semolina on Free List—Liberals Move to Make Them Permanent	63
	Liberals Move to Place Bran, Shorts and Middlings on Free List	63
	Liberal Tariff Demands Summarized	64
	Union Government Formed—The Election	65
	Liberal Tariff Policy Enunciated in Sir Wilfrid's Manifesto	65
1918	No Tariff Legislation	66
	The Armistice	66
	Sir Wilfrid Announces National Liberal Convention	66
1919	Sir Wilfrid's Last Work	67
	His Last Speech was for Tariff Reform	67
	What Sir Wilfrid Said on Trade and Reciprocity	70
	Sir Wilfrid's Death—Liberals Continue his Work	73
	Motion for Tariff Reduction	73
	Another Liberal Amendment	75
	Names of National Liberal Convention Committee	77

PAGE
41
41
41
41
42
42
42
42
42
43
43
43
43
43
44
44
44
45
46
46
46
46
47
49
52
53
54
54
54
55
56
56
57
58
58
58
59
59
59
59
61
62
63
63
64
65
65
66
66
66
67
67
67
70
73
73
75
77